SEP 01 2017

MO. SECRETARY OF STATE

It is a class A misdemeanor punishable, not withstanding the provisions of section 560.021, RSMo, to the contrary, for a term of imprisonment not to exceed one year in the county jail or a fine not to exceed ten thousand dollars or both, for anyone to sign any initiative petition with any name other than his or her own, or knowingly to sign his or her name more than once for the same measure for the same election, or to sign a petition when such person knows he or she is not a registered voter.

INITIATIVE PETITION

To the Honorable John (Jav) Ashcroft, Secretary of State for the state of Missouri:

We, the undersigned, registered voters of the state of Missouri and County (or city of St. Louis), respectfully order that the following proposed law shall be submitted to the voters of the state of Missouri, for their approval or rejection, at the general election to be held on the 6th day of November, 2018, and each for himself or herself says: I have personally signed this petition; I am a registered voter of the state of Missouri and _____ County (or city of St. Louis); my registered RECEIVED voting address and the name of the city, town or village in which I live are correctly written after my name.

(Official Ballot Title)

CIRCULATOR'S AFFIDAVIT, STATE OF MISSOURI, COUNTY OF

Ι,

, being first duly sworn, say (print or type names of signers)

NAME (Signature)	Date Signed	REGISTERED VOTING ADDRESS (Street) (City, Town, or Village)		Zip Code	Cong. Dist.	NAME (Printed or Typed)
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signed this page of the foregoing petition, and each of them signed his or her name thereto in my presence; I believe that each has stated his or her name, registered voting address and city, town or village correctly, and that each signer is a registered voter of the state of Missouri and ____ County.

FURTHERMORE, I HEREBY SWEAR OR AFFIRM UNDER PENALTY OF PERJURY THAT ALL STATEMENTS MADE BY ME ARE TRUE AND CORRECT AND THAT I HAVE NEVER BEEN CONVICTED OF, FOUND GUILTY OF, OR PLED GUILTY TO ANY OFFENSE INVOLVING FORGERY.

I am at least 18 years of age. I do do not (check one) expect to be paid for circulating this petition. If paid, list the payer

Printed Name of Affiant Address of Affiant Signature of Affiant (Person obtaining signatures) Subscribed and sworn to before me this _____ day of _____, A.D. 20__

Signature of Notary

Notary Public (Seal)

Address of Notary

My commission expires ____

Be it enacted by the People of the state of Missouri:

Section A. Sections 192.005, 263.250, 311.610, 311.620, 311.630 and 311.660 RSMo, are amended and thirty-three new sections are enacted to be known as sections 195.018, 195.900, 195.903, 195.906, 195.909, 195.912, 195.915, 195.918, 195.921, 195.924, 195.927, 195.930, 195.933, 195.936, 195.939, 195.942, 195.945, 195.948, 195.951, 195.954, 195.957, 195.960, 195.961, 195.963, 195.966, 195.969, 195.972, 195.975, 195.978, 195.981, 195.982, 195.984 and 195.985 to read as follows:

192.005. There is hereby created and established as a department of state government the "Department of Health and Senior Services". The department of health and senior services shall supervise and manage all public health functions and programs. The department shall be governed by the provisions of the Omnibus State Reorganization Act of 1974, Appendix B, RSMo, unless otherwise provided in sections 192.005 to 192.014. The division of health of the department of social services, chapter 191, this chapter, and others, including, but not limited to, such agencies and functions as the state health planning and development agency, the crippled children's service*, chapter 201, the bureau and the program for the prevention of developmental disability, the hospital subsidy program, chapter 189, the state board of health, section 191.400, the student loan program, sections 191.500 to 191.550, the family practice residency program, the licensure and certification of hospitals, chapter 197, the Missouri chest hospital, sections 199.010 to 199.070**, are hereby transferred to the department of health and senior services by a type I transfer, and the state cancer center and cancer commission, chapter 200, is hereby transferred to the department of health and senior services by a type III transfer as such transfers are defined in section 1 of the Omnibus State Reorganization Act of 1974, Appendix B, RSMo Supp. 1984. The provisions of section 1 of the Omnibus State Reorganization Act of 1974, Appendix B, RSMo Supp. 1984, relating to the manner and procedures for transfers of state agencies shall apply to the transfers provided in this section. The division of health of the department of social services is abolished. The department of health and senior services shall have the duties and powers set forth in sections 195.900 to 195.985.

<u>195.018. The provisions of section 195.017 shall not apply to any product used as</u> authorized by sections 195.900 to 195.985.

<u>195.900.</u> 1. Sections 195.900 to 195.985 shall be known and may be cited as the "Missouri Patient Care Act".

2. (1) Sections 195.900 to 195.985 shall be deemed an exercise of the police powers of the state for the protection of the economic and social welfare and the health, peace, and morals of the people of this state.

(2) It shall be unlawful under state law to cultivate, manufacture, distribute, test, possess, or sell medical cannabis, except in compliance with the terms, conditions, limitations, and restrictions in sections 195.900 to 195.985.

(3) This section is intended to permit state-licensed physicians to certify that a patient has a qualifying medical condition and that the physician is treating or managing treatment of the

patient's qualifying medical condition in the course of a bona fide physician-patient relationship, after the physician has completed an assessment of the qualifying patient's medical history, reviewed relevant records related to the patient's qualifying medical condition, and conducted a physical examination.

(4) This section is intended to make only those changes to Missouri laws that are necessary to protect patients, their caregivers, and their physicians from civil and criminal penalties, and to allow for the limited legal production, distribution, sale, possession, and purchase of cannabis for medical use. This section is not intended to change current civil and criminal laws governing the use of cannabis for nonmedical purposes. The section does not allow for the public use of cannabis and driving under the influence of cannabis.

3. As used in sections 195.900 to 195.985, the following terms shall mean:

(1) "Adequate supply", 2.5 ounces of cannabis flower or its equivalent in cannabis concentrate or cannabis product during a period of fourteen days and that is derived solely from a licensed intrastate source. Subject to the rules of the department of health and senior services, a patient may apply for a waiver to possess more than 2.5 ounces for a fourteen-day period if a physician provides a substantial medical basis in a signed written statement asserting that, based on the patient's medical history and in the physician's professional judgment, 2.5 ounces is an insufficient adequate supply for a fourteen-day period to properly alleviate the patient's qualifying medical condition or symptoms associated with the qualifying medical condition. A qualifying patient may possess no more than a sixty-day supply of cannabis flower or its equivalent in cannabis concentrate or cannabis product.

(2) "Administer", the direct application of cannabis to a qualifying patient by way of any of the following methods:

(a) Ingestion of capsules, teas, oils, and other cannabis-infused products;

(b) Vaporization or smoking of dried flowers, buds, plant material, extracts, or oils;

(c) Application of ointments or balms;

(d) Transdermal patches and suppositories;

(e) Consuming cannabis-infused food products; or

(f) Any other method recommended by a qualifying patient's physician.

(3) "Cannabis", all parts of the plant genus Cannabis in any species or form thereof, including, but not limited to, Cannabis Sativa L., Cannabis Indica, Cannabis Americana, Cannabis Ruderalis, and Cannabis Gigantea, whether growing or not, the seeds thereof, the resin extracted from any part of the plant; and every compound, manufacture, derivative, mixture, or preparation of the plant, its seeds or resin. It does not include the mature stalks of the plant; fiber produced from the stalks; oil or cake made from the seeds of the plant; any other compound. manufacture, salt, derivative, mixture, or preparation of the mature stalks except the resin extracted therefrom; fiber, oil, or cake; or the sterilized seed of the plant which is incapable of germination.

(4) "Cannabis plant monitoring system", an electronic seed-to-sale tracking system that includes, but is not limited to, testing and data collection established and maintained by the licensed medical cannabis cultivation and production facility and the medical cannabis center and available to the division for the purposes of documenting each cannabis plant and for monitoring plant development throughout the life cycle of a cannabis plant cultivated for the intended use by a qualifying patient from seed planting, cloning, or other method of propagation, to final packaging and sale to a qualifying patient.

(5) "Cannabis products", concentrated cannabis, cannabis extracts, and products that are infused with cannabis or an extract thereof and are intended for use or consumption. The term includes, without limitation, edible cannabis products, beverages, topical products, ointments, oils, and tinctures.

(6) "Caregiver", a natural person, other than the qualifying patient or the qualifying patient's physician, who is twenty-one years of age or older and has significant responsibility for managing the well-being of a qualifying patient and who is designated as such on the caregiver's application for an identification card under this section.

(7) "Department", the department of health and senior services.

(8) "Division", the division of alcohol and tobacco control within the department of public safety.

(9) "Entity", a natural person, corporation, professional corporation, nonprofit corporation, cooperative corporation, unincorporated association, business trust, limited liability company, general or limited partnership, limited liability partnership, joint venture, or any other entity.

(10) "Good cause", for purposes of refusing or denying a license renewal, reinstatement, or initial license issuance:

(a) The license applicant has violated, does not meet, or has failed to comply with any of the terms, conditions, or provisions of sections 195.900 to 195.985, any rules promulgated thereunder, or any supplemental local law, rules, or regulations;

(b) The licensee or applicant has failed to comply with any special terms or conditions that were placed on its license under an order of the state or local licensing authority; or

(c) The licensed premises have been operated in a manner that adversely affects the public health or welfare or the safety of the immediate neighborhood in which the establishment is located.

(11) "License", a license or registration under sections 195.900 to 195.985.

(12) "Licensed premises", the premises specified in an application for a license under sections 195.900 to 195.985, which are owned or in possession of the licensee and within which the licensee is authorized to cultivate, manufacture, distribute, test, possess, or sell medical cannabis in accordance with the provisions of sections 195.900 to 195.985.

(13) "Licensee", a person licensed or registered under sections 195.900 to 195.985.

(14) "Limited access area", a building, room, or other contiguous area upon the licensed premises where medical cannabis is grown, cultivated, stored, weighed, displayed, packaged, sold, or possessed for sale, under control of the licensee, with limited access to only those persons licensed by the division, and visitors and vendors as provided by rule. All areas of ingress or egress to limited access areas shall be clearly identified as such by a sign as designated by the division.

(15) "Local licensing authority", an authority designated by municipal or county charter or ordinance.

(16) "Medical cannabis", cannabis that is grown and sold under sections 195.900 to 195.985 for a purpose authorized under sections 195.900 to 195.985.

(17) "Medical cannabis center", a person licensed under sections 195.900 to 195.985 to operate a business as described in sections 195.900 to 195.985 that acquires, possesses, stores, delivers, transfer, transports, sells, supplies or dispenses cannabis, cannabis products, medical cannabis, paraphernalia or related supplies to registered qualifying patients or caregivers, or other licensed medical cannabis centers.

(18) "Medical cannabis cultivation and production facility", a person licensed under sections 195.900 to 195.985 to operate a business as described in section 195.954.

(19) "Medical cannabis-infused product", a product infused with medical cannabis that is intended for use or consumption other than by smoking, including, but not limited to edible cannabis products, beverages, topical products, ointments, oils, and tinctures or smokeless vaporizing devices. Such products, when manufactured or sold by a licensed medical cannabis center, shall not be considered a drug for the purposes of chapter 196.

(20) "Medical cannabis testing facility", an independent entity licensed, approved, and certified by the division pursuant to this act to analyze the safety and potency of cannabis and as otherwise provided under sections 195.900 to 195.985.

(21) "Medical use", the production, possession, distribution, transportation, or administration of cannabis or a cannabis-infused product, for the benefit of a qualifying patient to mitigate the symptoms or effects of the patient's qualifying medical condition.

(22) "Person", a natural person, partnership, association, company, corporation, limited liability company, or organization, or a manager, agent, owner, director, servant, officer, or employee thereof.

(23) "Premises", a distinct and definite location, which may include a building, a part of a building, a room, or any other definite contiguous area.

(24) "Qualifying medical condition", the condition of, symptoms related to, or sideeffects from the treatment of:

(a) Cancer;

(b) Epilepsy;

(c) Glaucoma;

(d) Intractable migraines unresponsive to other treatment;

(e) A chronic medical condition that causes severe, persistent pain or persistent muscle spasms, including, but not limited to, those associated with multiple sclerosis, seizures, Parkinson's disease, and Tourette's syndrome;

(f) Debilitating psychiatric disorders, including, but not limited to, post-traumatic stress disorder, if diagnosed by a state licensed psychiatrist;

(g) Human immunodeficiency virus or acquired immune deficiency syndrome;

(h) A chronic medical condition that is normally treated with a prescription medication that could lead to physical or psychological dependence, when a physician determines that medical use of cannabis could be effective in treating that condition and would serve as a safer alternative to the prescription medication:

(i) Any terminal illness; or

(j) In the professional judgment of a physician, any other chronic, debilitating or other medical condition, including, but not limited to, hepatitis C, amyotrophic lateral sclerosis (ALS), inflammatory bowel disease, Crohn's disease, Huntington's disease, autism, neuropathies, sickle cell anemia, agitation of Alzheimer's disease, cachexia, and wasting syndrome.

(25) "Qualifying patient", a Missouri resident diagnosed with at least one qualifying medical condition.

(26) "Smokeless vaporizing device", a medical-grade vaporizer delivery device capable of administering the active ingredients of a metered dose of medical cannabis via inhalation without combustion by-products.

(27) "State licensing authority", the division of alcohol and tobacco control which is responsible for regulating and controlling the licensing of the cultivation, manufacture, distribution, testing, possession, and sale of medical cannabis in this state.

(28) "Written certification", a document dated and signed by a physician, stating:

(a) That the qualifying patient has a qualifying medical condition and specifying the qualifying medical condition the qualifying patient has; and

(b) That the physician is treating or managing treatment of the patient's qualifying medical condition.

<u>195.903. 1. For the purpose of regulating and controlling the licensing of the cultivation,</u> <u>manufacture, distribution, testing, possession, and sale of medical cannabis in this state, the</u> <u>division of alcohol and tobacco control is hereby designated as the state licensing authority.</u>

2. The state supervisor of the division may employ such officers and employees as may be determined to be necessary, with such officers and employees being part of the division. No moneys shall be appropriated to the division from the general revenue fund for the operation of sections 195.900 to 195.985, nor shall the division expend any general revenue fund moneys for the operation of sections 195.900 to 195.985. Notwithstanding any other provision of law, the division, the Commissioner of Administration, and the State Treasurer are authorized to receive and disburse funds from any source, public or private, as may assist the prompt implementation of this Act.

195.906. 1. The division shall:

(1) Grant or refuse state licenses for the cultivation, manufacture, distribution, testing, possession, and sale of medical cannabis as provided by law; suspend, fine, restrict, or revoke such licenses upon a violation of sections 195.900 to 195.985, or a rule promulgated under sections 195.900 to 195.985; and impose any penalty authorized by sections 195.900 to 195.985, or any rule promulgated under sections 195.900 to 195.985. The division may take any action with respect to a registration under sections 195.900 to 195.985 as it may with respect to a license under sections 195.900 to 195.985, in accordance with the procedures established under sections 195.900 to 195.985;

(2) Establish, revise, and amend rules and regulations as necessary to carry into effect the provisions of sections 195.900 to 195.985;

(3) Upon denial of a state license, provide written notice of the grounds for such denial of a state license to the applicant and to the local authority and the right of the applicant to a hearing before the administrative hearing commission under subsection 2 of section 195.924;

(4) Maintain the confidentiality of patient records, reports obtained from licensees showing the sales volume or quantity of medical cannabis sold, or any other records that are exempt from inspection under state law;

(5) Develop such forms, licenses, identification cards, and applications as are necessary in the discretion of the division for the administration of sections 195.900 to 195.985 or any of the rules promulgated under sections 195.900 to 195.985; and

(6) Prepare and submit an annual report accounting to the governor for the efficient discharge of all responsibilities assigned by law or directive to the state licensing authority.

2. (1) Rules promulgated under subdivision (2) of subsection 1 of this section shall include, but not be limited to, the following:

(a) Compliance with, enforcement, or violation of any provision of sections 195.900 to 195.985, or any rule issued under sections 195.900 to 195.985, including procedures and grounds for denying, suspending, fining, restricting, or revoking a state license issued under sections 195.900 to 195.985;

(b) Specifications of duties of officers and employees of the division;

(c) Instructions for local licensing authorities and law enforcement officers:

(d) Requirements for inspections, investigations, searches, seizures, and such additional activities as may become necessary from time to time;

(e) Creation of a range of administrative penalties for use by the division;

(f) Prohibition of misrepresentation and unfair practices;

(g) Control of informational and product displays on licensed premises:

(h) Development of individual identification cards for owners, officers, managers, contractors, employees, and other support staff of entities licensed under sections 195.900 to 195.985, including a fingerprint-based criminal record check as may be required by the division prior to issuing a card;

(i) Identification of state licensees and their owners, officers, managers, and employees;

(j) Security requirements for any premises licensed under sections 195.900 to 195.985, including, at a minimum, lighting, physical security, video, alarm requirements, and other minimum procedures for internal control as deemed necessary by the division to properly administer and enforce the provisions of sections 195.900 to 195.985, including reporting requirements for changes, alterations, or modifications to the premises;

(k) Regulation of the storage of, warehouses for, and transportation of medical cannabis:

(1) Sanitary requirements for medical cannabis centers and medical cannabis cultivation and production facilities, including, but not limited to, sanitary requirements for the preparation of medical cannabis-infused products;

(m) The specification of acceptable forms of picture identification that a medical cannabis center may accept when verifying a sale;

(n) Labeling standards, including, but not limited to, the serving size of active THC per serving and total servings per package:

(o) Testing standards;

(p) Records to be kept by licensees and the required availability of the records;

(q) State licensing procedures, including procedures for renewals, reinstatements, initial licenses, and the payment of licensing fees;

(r) The reporting and transmittal of monthly sales tax payments by medical cannabis centers;

(s) Authorization for the department of revenue to have access to licensing information to ensure sales and income tax payment and effective administration of sections 195.900 to 195.985:

(t) Authorization for the division to impose administrative penalties and procedures of issuing, appealing, and creating a violation list and schedule of administrative penalties; and

(u) Such other matters as are necessary for the fair, impartial, stringent, and comprehensive administration of sections 195.900 to 195.985.

(2) The prompt implementation of this Missouri Patient Care Act is necessary to avoid immediate danger to the public health, safety and welfare. The division is authorized to use the emergency rulemaking procedures set out in section 536.025, and shall promulgate emergency rules by March 6, 2019, and also to file a notice of rulemaking as provided in section 536.025 by March 6, 2019.

(3) Nothing in sections 195.900 to 195.985 shall be construed as delegating to the division the power to fix prices for medical cannabis.

195.909. 1. A local licensing authority may issue only the following medical cannabis licenses upon payment of the fee and compliance with all local licensing requirements to be determined by the local licensing authority:

(1) A medical cannabis center license; and

(2) A medical cannabis cultivation and production facility license.

2. (1) A local licensing authority shall not issue a local license within a municipality or the unincorporated portion of a county unless the governing body of the municipality has adopted an ordinance or the governing body of the county has adopted a resolution containing specific standards for license issuance, or if no such ordinance or resolution is adopted prior to June 1, 2019, a local licensing authority shall consider the minimum licensing requirements of this section when issuing a license.

(2) In addition to all other standards applicable to the issuance of licenses under sections 195.900 to 195.985, the local governing body may adopt additional standards for the issuance of medical cannabis center or medical cannabis cultivation and production facility licenses consistent with the intent of sections 195.900 to 195.985 that may include, but not be limited to:

(a) Distance restrictions between premises for which local licenses are issued; and

(b) Any other requirements necessary to ensure the control of the premises and the ease of enforcement of the terms and conditions of the license.

<u>3. Local governments may limit the use of land for operation of medical cannabis centers</u> and medical cannabis cultivation and production facilities to specified areas as to time, place, and manner of such facilities. Local zoning approval shall be made by the governing body of the municipality if the premises are located in the municipality, or by the governing body of the county if the premises are located in the unincorporated portion of the county. The operation of sections 195.900 to 195.985 shall be statewide unless a municipality, county, or city, by a twothirds majority of the registered voters voting at a regular election or special election called in accordance with state law, vote to prohibit the operation of medical cannabis centers and medical cannabis cultivation and production facilities in the municipality, county, or city.

4. An application for a license specified in subsection 1 of this section shall be filed with the appropriate local licensing authority on forms provided by the state licensing authority and shall contain such information as the state licensing authority may require and any forms as the local licensing authority may require. Each application shall be verified by the oath or affirmation of the persons prescribed by the state licensing authority.

5. An applicant shall file with the application for a local license, plans and specifications for the interior of the building if the building to be occupied is in existence at the time. If the building is not in existence, the applicant shall file a plot plan and a detailed sketch for the interior and submit an architect's drawing of the building to be constructed. In its discretion, the local or state licensing authority may impose additional requirements necessary for the approval of the application.

195.912. 1. Upon receipt of an application for a local license, except an application for renewal or for transfer of ownership, a local licensing authority shall schedule and hold a public hearing upon the application to be held not less than thirty days after the date of the application, but not more than ninety days from the date of the application. If the local licensing authority fails to hold a public hearing within such time lines, the application shall be considered

approved. If the local licensing authority schedules a hearing for a medical cannabis center application and/or a medical cannabis cultivation and production facility application, it shall post and publish public notice thereof not less than ten days prior to the hearing. The local licensing authority shall give public notice by the posting of a sign in a conspicuous place on the medical cannabis center premises and/or the medical cannabis cultivation and production facility premises for which application has been made and by publication in a newspaper of general circulation in the county in which the medical cannabis center premises and/or the medical cannabis cultivation and production premises are located.

2. Public notice given by posting shall include a sign of suitable material, not less than twenty-two inches wide and twenty-six inches high, composed of letters not less than one inch in height and stating the type of license applied for, the date of the hearing, the name and address of the applicant, and such other information as may be required to fully apprise the public of the nature of the application. The sign shall contain the names and addresses of the officers, directors, or manager of the facility to be licensed.

3. Public notice given by publication shall contain the same information as that required for signs.

4. If the building in which medical cannabis is to be cultivated, manufactured, distributed, possessed, or sold is in existence at the time of the application, a sign posted as required in subsections 1 and 2 of this section shall be placed so as to be conspicuous and plainly visible to the general public. If the building is not constructed at the time of the application, the applicant shall post a sign at the premises upon which the building is to be constructed in such a manner that the notice shall be conspicuous and plainly visible to the general public.

5. (1) A local licensing authority, or a license applicant with the authorization of the local licensing authority, may request that the state licensing authority conduct a concurrent review of a new license application prior to the local licensing authority's final approval of the license application. Local licensing authorities who permit concurrent review shall continue to independently review the applicant's license application.

(2) When conducting a concurrent application review, the state licensing authority may advise the local licensing authority of any items it finds that may result in the denial of the license application. Upon correction of the noted discrepancies if the correction is permitted by the state licensing authority, the state licensing authority shall notify the local licensing authority of its conditional approval of the license application subject to the final approval by the local license upon receiving evidence of final approval by the local licensing authority.

(3) All applications submitted for concurrent review shall be accompanied by all applicable state license and application fees. Any applications which are later denied or withdrawn may allow for a refund of license fees only. All application fees provided by an applicant shall be retained by the respective licensing authority.

<u>195.915. 1. Not less than five days prior to the date of the public hearing authorized in</u> section 195.912, the local licensing authority shall make known its findings, based on its investigation, in writing to the applicant and other parties of interest. The local licensing authority has authority to refuse to issue a license provided for in this section for good cause, subject to judicial review.

2. Before entering a decision approving or denying the application for a local license, the local licensing authority may consider, except where sections 195.900 to 195.985 specifically provides otherwise, the facts and evidence adduced as a result of its investigation, as well as any other facts pertinent to the type of license for which application has been made, including the number, type, and availability of medical cannabis outlets located in or near the premises under consideration, and any other pertinent matters affecting the qualifications of the applicant for the conduct of the type of business proposed. A local licensing authority may only issue a medical cannabis cultivation and production facility license upon payment of the fee and compliance with all local licensing authority.

3. Within thirty days after the public hearing or completion of the application investigation, a local licensing authority shall issue its decision approving or denying an application for local licensure. The decision shall be in writing and shall state the reasons for the decision. The local licensing authority shall send a copy of the decision by certified mail to the applicant at the address shown on the application.

<u>4. After approval of an application, a local licensing authority shall not issue a local</u> <u>license until the building in which the business to be conducted is ready for occupancy with such</u> <u>furniture, fixtures, and equipment in place as are necessary to comply with the applicable</u> <u>provisions of sections 195.900 to 195.985, and then only after the local licensing authority has</u> <u>inspected the premises to determine that the applicant has complied with the architect's drawing</u> <u>and the plot plan and detailed sketch for the interior of the buildings submitted with the</u> <u>application.</u>

5. After approval of an application for local licensure, the local licensing authority shall notify the state licensing authority of such approval, who shall investigate and either approve or disapprove the application for state licensure.

195.918. 1. (1) The division may restrict the number of licenses granted for medical cannabis cultivation and production facilities, provided, however, that number may not be limited to fewer than one license per every one hundred thousand inhabitants of the state of Missouri, according to the most recent census of the United States. Each facility in operation shall require a separate license but multiple licenses may be utilized in a premises. The license shall be valid for one year from its date of issuance and shall be renewable, except for good cause. No more than three medical cannabis and production facility licenses shall be issued to any person under substantially common control, ownership, or management. At least one medical cannabis center license shall be issued for each medical cannabis cultivation and production facility license.

(2) The division may restrict the numbers of licenses granted for medical cannabis centers, provided, however, that number may not be limited to fewer than one license per every one hundred thousand inhabitants of the state of Missouri, according to the most recent census of the United States, except that, an applicant for a medical cannabis center license may be approved for an additional two medical cannabis center licenses in accordance with subdivision (3) of this subsection. Such additional medical cannabis center licenses shall not be counted toward the statewide limit for medical cannabis centers. A license shall be valid for one year from its date of issuance and shall be renewable, except for good cause.

(3) Licenses shall be geographically disbursed by the division, in consultation with the department of health and senior services, based on the demographics of the state and patient demand to ensure statewide access for patients. If more than the statewide limit for medical cannabis centers are necessary to provide sufficient patient access, a medical cannabis cultivation and production facility licensee may be approved for up to an additional two medical cannabis center licenses, subject to approval by the local licensing authority and the division.

2. Before the division of alcohol and tobacco control issues a state license to an applicant, the applicant shall procure and file with the division evidence of a good and sufficient bond in the amount of five thousand dollars with corporate surety thereon duly licensed to do business with the state, approved as to form by the state attorney general, and conditioned that the applicant shall report and pay all sales and use taxes due to the state, or for which the state is the collector or collecting agent, in a timely manner, as provided in law.

<u>3. A corporate surety shall not be required to make payments to the state claiming</u> <u>under such bond until a final determination of failure to pay taxes due to the state has been</u> <u>made by the division or a court of competent jurisdiction.</u>

<u>4. All bonds required under this section shall be renewed at such time as the</u> <u>bondholder's license is renewed. The renewal may be accomplished through a continuation</u> <u>certificate issued by the surety.</u>

195.921. 1. Applications for a state license under the provisions of sections 195.900 to 195.985 shall be made to the division on forms prepared and furnished by the division and shall set forth such information as the division may require to enable the division to determine whether a state license shall be granted. The information shall include the name and address of the applicant, the names and addresses of the officers, directors, or managers, and all other information deemed necessary by the division. Each application shall be verified by the oath or affirmation of such person or persons as the division may prescribe.

2. Within one hundred eighty days of the effective date of this section, the division shall make available to the public license application forms and application instructions for medical cannabis cultivation and production facilities, medical cannabis center facilities, and medical cannabis testing facilities. The division shall begin accepting license and certification applications no later than two hundred forty days after the effective date of this section.

Applications for licenses and certifications shall be approved or denied by the division no later than one hundred twenty days after their submission.

<u>3. The division shall not issue a state license under this section until the local licensing</u> authority has approved the application for a local license and issued a local license as provided for in sections 195.909 to 195.918.

4. Nothing in sections 195.900 to 195.985 shall preempt or otherwise impair the power of a local government to enact ordinances or resolutions concerning matters authorized to local governments.

195.924. 1. The division shall deny a state license if the premises on which the applicant proposes to conduct its business does not meet the requirements of sections 195.900 to 195.985.

2. If the division denies a state license under subsection 1 of this section, the applicant shall be entitled to a hearing before the administrative hearing commission. The division shall provide written notice of the grounds for denial of the state license to the applicant and to the local licensing authority at least fifteen days prior to the hearing.

195.927. 1. A license provided by sections 195.900 to 195.985 shall not be issued to or held by:

(1) A person until the annual fee has been paid;

(2) A person under twenty-one years of age;

(3) A person licensed under sections 195.900 to 195.985 who during a period of licensure or who at the time of application has failed to:

(a) Provide a surety bond, proof of assets, or file any tax return with a taxing agency;

(b) Avoid delinquency in the payment of any state income taxes, personal property taxes, municipal taxes, or real property taxes;

(c) Pay any judgments due to a government agency;

(d) Stay out of default on a government-issued student loan;

(e) Pay child support; or

(f) Remedy an outstanding delinquency for taxes owed, an outstanding delinquency for judgments owed to a government agency, or an outstanding delinquency for child support.

(4) A person who has discharged a sentence in the ten years immediately preceding the application date for a conviction of a felony or a person who at any time has been convicted of a

felony under any state or federal law regarding the possession, distribution, or use of a controlled substance;

(5) A person who employs another person at a medical cannabis center, a medical cannabis cultivation and production facility, or a medical cannabis testing facility who has not passed a criminal background check;

(6) A sheriff, deputy sheriff, police officer, or prosecuting officer, or any officer or employee of the division or a local licensing authority;

(7) A person whose authority to be a caregiver as defined in sections 195.900 to 195.985 has been revoked by the department; or

(8) A person who holds a license for a location that is currently licensed as a retail food establishment or wholesale food registrant.

2. The provisions of section 324.010.1 shall apply to sections 195.900 to 195.985.

3. All medical cannabis cultivation and production facility licensees and all medical cannabis center licensees shall be held by entities that are sixty percent or more owned by natural persons who have been bona fide residents of the state of Missouri for at least three years continuously immediately prior to the date of filing of application for such licenses. Notwithstanding the foregoing, medical cannabis cultivation and production facility licensees and medical cannabis center licensees may be held by entities with no greater than a forty percent interest owned by natural persons who have not been citizens of the state of Missouri for at least three years continuously immediately prior to the date of prior to the date of filing of application for such licensees.

4. (1) In investigating the qualifications of an applicant or a licensee, the division shall have access to criminal background check information furnished by a criminal justice agency subject to any restrictions or costs imposed by such agency. In addition to considering the applicant's criminal background check information, the division shall also consider any information provided by the applicant regarding such criminal background check, including, but not limited to, evidence of rehabilitation, character references, and educational achievements, especially those items pertaining to the period of time between the applicant's last criminal conviction and the consideration of the application for a state license.

(2) As used in subdivision (1) of this subsection, "criminal justice agency" means any federal, state, or municipal court or any governmental agency or subunit of such agency that administers criminal justice under a statute or executive order and that allocates a substantial part of its annual budget to the administration of criminal justice.

(3) At the time of filing an application for issuance or renewal of a state medical cannabis center license, a medical cannabis cultivation and production facility license, or a medical cannabis testing facility license, an applicant shall submit a set of his or her fingerprints and file personal history information concerning the applicant's qualifications for a state license on forms

prepared by the division. The division shall submit the fingerprints to the Missouri state highway patrol for the purpose of conducting a state and federal fingerprint-based criminal background check. The Missouri state highway patrol shall forward the fingerprints to the Federal Bureau of Investigation for the purpose of conducting a fingerprint-based criminal background check. Fingerprints shall be submitted in accordance with section 43.543, and fees shall be paid in accordance with section 43.530. The division may acquire a name-based criminal background check for an applicant or a license holder who has twice submitted to a fingerprint-based criminal background check and whose fingerprints are unclassifiable. The division shall use the information resulting from the fingerprint-based criminal history record check to investigate and determine whether an applicant is qualified to hold a state license under sections 195.900 to 195.985. The division may verify any of the information an applicant is required to submit.

<u>195.930.</u> The division or a local licensing authority shall not receive or act upon an application for the issuance of a state or local license under sections 195.900 to 195.985:

(1) If the application for a state or local license concerns a particular location that is the same as or within one thousand feet of a location for which, within the two years immediately preceding the date of the application, the division or a local licensing authority denied an application for the same class of license due to the nature of the use or other concern related to the location;

(2) Until it is established that the applicant is or shall be entitled to possession of the premises for which application is made under a lease, rental agreement, or other arrangement for possession of the premises or by virtue of ownership of the premises:

(3) For a location in an area where the cultivation, manufacture, and sale of medical cannabis as contemplated is not permitted under the applicable local zoning laws of the municipality or county; or

(4) (a) If the building in which medical cannabis is to be cultivated, produced, or sold is located within one thousand feet of, the real property comprising a public or private elementary, vocational, or secondary school or a public or private college, junior college, or university, or a playground, or housing facility owned by a public housing authority, or a licensed child care facility, or within 100 feet of a public or private youth center, public swimming pool, or video arcade facility. The provisions of this subdivision shall not affect the renewal or reissuance of a license once granted nor shall the provisions of this subdivision apply to a license in effect and actively doing business before such school, college, university, playground, housing facility, licensed child care facility, youth center, public swimming pool, or video arcade was constructed.

(b) The distances referred to in this subdivision are to be computed by direct measurement from the nearest property line of the land used for a school, college, university, playground, housing facility, licensed child care facility, youth center, public swimming pool, or video arcade to the nearest portion of the building in which medical cannabis is to be cultivated, produced, or sold. (c) In addition to the requirements of section 195.909, the local licensing authority shall consider the evidence and make a specific finding of fact as to whether the building in which the medical cannabis is to be cultivated, produced, or sold is located within the distance restrictions established by or under this subdivision.

<u>195.933. 1. A state or local license granted under the provisions of sections 195.900</u> to 195.985 shall not be transferable except as provided in this section, but this section shall not prevent a change of location as provided in subsection 13 of section 195.936.

2. For a transfer of ownership, a license holder shall apply to the division and the local licensing authority on forms prepared and furnished by the division. In determining whether to permit a transfer of ownership, the division and the local licensing authority shall consider only the requirements of sections 195.900 to 195.985, any rules promulgated by the division, and any other local restrictions. The local licensing authority may hold a hearing on the application for transfer of ownership. The local licensing authority shall not hold a hearing under this subsection until the local licensing authority has posted a notice of hearing in the manner described in section 195.912 on the licensed medical cannabis center premises and/or the medical cannabis cultivation and production facility for a period of ten days and has provided notice of the hearing to the applicant at least ten days prior to the hearing. Any transfer of ownership hearing by the division shall be held in compliance with the requirements specified in section 195.912.

195.936. 1. Sections 195.900 to 195.985 authorize a county or municipality to enact reasonable regulations or other restrictions applicable to licenses of medical cannabis centers and medical cannabis cultivation and production facilities based on local zoning, health, safety, and public welfare laws for the distribution of medical cannabis that are more restrictive than sections 195.900 to 195.985.

2. A medical cannabis center and a medical cannabis cultivation and production facility shall not operate unless licensed by the local licensing authority and the state licensing authority under sections 195.900 to 195.985. In connection with a license, the applicant shall provide a complete and accurate list of all owners, officers, and employees who work at, manage, own, or are otherwise associated with the operation and shall provide a complete and accurate by the division.

<u>3. A medical cannabis center and a medical cannabis cultivation and production</u> <u>facility shall notify the division in writing within ten days after an owner, officer, or</u> <u>employee ceases to work at, manage, own, or otherwise be associated with the operation.</u> <u>The owner, officer, or employee shall surrender his or her identification card to the division</u> <u>on or before the date of the notification.</u>

<u>4. A medical cannabis center and a medical cannabis cultivation and production</u> <u>facility shall notify the division in writing of the name, address, and date of birth of an</u> <u>owner, officer, manager, or employee before the new owner, officer, manager, or employee</u> <u>begins working at, managing, owning, or begins an association with the operation. The</u> <u>owner, officer, manager, or employee shall pass a fingerprint-based criminal background</u> check as required by the division and obtain the required identification prior to being associated with, managing, owning, or working at the operation.

5. A medical cannabis center and a medical cannabis cultivation and production facility shall not acquire, possess, cultivate, deliver, transfer, transport, supply, or dispense cannabis for any purpose except to assist patients with qualifying medical conditions or to test the product at a medical cannabis testing facility, or as otherwise provided in section 195.900 to 195.985.

6. All owners of a licensed medical cannabis center and a licensed medical cannabis cultivation and production facility shall be authorized to do business in Missouri. A local licensing authority shall not issue a license provided for in sections 195.900 to 195.985 until that share of the license application fee due to the state has been received by the division. All licenses granted under sections 195.900 to 195.985 shall be valid for a period not to exceed one year from the date of issuance unless revoked or suspended under sections 195.900 to 195.985 or the rules promulgated under sections 195.900 to 195.985.

7. Before granting a local or state license, the respective licensing authority may consider, except where sections 195.900 to 195.985 specifically provide otherwise, the requirements of sections 195.900 to 195.985 and any rules promulgated under sections 195.900 to 195.985, and all other reasonable restrictions that are or may be placed upon the licensee by the licensing authority. With respect to a second or additional license for the same licensee or the same owner of another licensed business under sections 195.900 to 195.985, each licensing authority shall consider the effect on competition of granting or denying the additional license that has the effect of restraining competition.

8. (1) Each license issued under sections 195.900 to 195.985 is separate and distinct. It is unlawful for a person to exercise any of the privileges granted under a license other than the license that the person holds or for a licensee to allow any other person to exercise the privileges granted under the licensee's license. A separate license shall be required for each specific business or business entity and each geographical location.

(2) At all times, a licensee shall possess and maintain possession of the premises for which the license is issued by ownership, lease, rental, or other arrangement for possession of the premises.

9. (1) The licenses provided under sections 195.900 to 195.985 shall specify the date of issuance, the period of licensure, the name of the licensee, and the premises licensed. The licensee shall conspicuously display the license at all times on the licensed premises.

(2) A local licensing authority shall not transfer location of or renew a license to sell medical cannabis until the applicant for the license produces a license issued and granted by the state licensing authority covering the whole period for which a license or license renewal is sought.

<u>10. In computing any period of time prescribed by sections 195.900 to 195.985, the day of the act, event, or default from which the designated period of time begins to run shall not be included. Saturdays, Sundays, and legal holidays shall be counted as any other day.</u>

11. A licensee shall report each transfer or change of financial interest in the license to the division and the local licensing authority thirty days prior to any transfer or change under subsection 13 of this section. A report shall be required for transfers of capital stock of any corporation, regardless of size.

12. Each licensee shall manage the licensed premises himself or herself or employ a separate and distinct manager on the premises and shall report the name of the manager to the division and the local licensing authority. The licensee shall report any change in manager to the division and local licensing authority thirty days prior to such change.

13. (1) A licensee may move his or her permanent location to any other place in the same municipality for which the license was originally granted, or in the same county if the license was granted for a place outside the corporate limits of a municipality, but it shall be unlawful to cultivate, manufacture, distribute, possess, or sell medical cannabis at any such place until permission to do so is granted by the division and the local licensing authority provided for in sections 195.900 to 195.985.

(2) In permitting a change of location, the division and the local licensing authority shall consider all reasonable restrictions that are or may be placed upon the new location by the governing body or local licensing authority of the municipality or county; any such change in location shall be in accordance with all requirements of sections 195.900 to 195.985 and rules promulgated under sections 195.900 to 195.985.

195.939. 1. (1) Ninety days prior to the expiration date of an existing license, the division shall notify the licensee of the expiration date by first class mail at the licensee's address of record with the division. A licensee shall apply for the renewal of an existing license to the local licensing authority not less than forty-five days and to the division not less than thirty days prior to the date of expiration. A local licensing authority shall not accept an application for renewal of a license after the date of expiration, except as provided in subsection 2 of this section. The division may extend the expiration date of the local licensing authority and subsequently approved by the local licensing authority shall next be processed by the division. The division or the local licensing authority shall next be processed by the division. The division or the local licensing authority in its discretion, subject to the requirements of this section and based upon reasonable grounds, may waive the forty-five-day or thirty-day time requirements set forth in this subsection. The local licensing authority may hold a hearing on the application for renewal only if the licensee has had complaints filed against it, has a history of violations, or there are allegations against the licensee that constitute good cause.

(2) The local licensing authority shall not hold a renewal hearing provided for by this subsection for a medical cannabis center and a medical cannabis cultivation and production facility until it has posted a notice of hearing on the licensed medical cannabis center premises

and the medical cannabis cultivation and production facility premises in the manner described in section 195.912 for a period of ten days and provided notice to the applicant at least ten days prior to the hearing. The local licensing authority may refuse to renew any license for good cause, subject to judicial review.

2.(1) Notwithstanding the provisions of subsection 1 of this section, a licensee whose license has been expired for not more than ninety days may file a late renewal application upon the payment of a nonrefundable late application fee of five hundred dollars to the local licensing authority. A licensee who files a late renewal application and pays the requisite fees may continue to operate until both the state and local licensing authorities have taken final action to approve or deny the licensee's late renewal application.

(2) The state and local licensing authorities shall not accept a late renewal application more than ninety days after the expiration of a licensee's permanent annual license. A licensee whose permanent annual license has been expired for more than ninety days shall not cultivate, manufacture, distribute, possess, or sell any medical cannabis until all required licenses have been obtained.

<u>195.942.</u> The division or local licensing authority may, in its discretion, revoke or elect not to renew any license if it determines that the licensed premises have been inactive without good cause for at least one year.

<u>195.945. 1. The division, by rule, shall require a complete disclosure of all persons</u> having a direct or indirect financial interest and the extent of such interest in each license issued under sections 195.900 to 195.985.

2. A person shall not have an unreported financial interest in a license under sections 195.900 to 195.985 unless such person has undergone a fingerprint-based criminal background check as provided for by the division in its rules; except that, this subsection shall not apply to banks, savings and loan associations, or industrial banks supervised and regulated by an agency of the state or federal government, or to FHA-approved mortgagees, or to stockholders, directors, or officers thereof.

<u>3. This section is intended to prohibit and prevent the control of the outlets for the sale of medical cannabis by a person or party other than the persons licensed under the provisions of sections 195.900 to 195.985.</u>

195.948. 1. For the purpose of regulating the cultivation, manufacture, distribution, testing, possession, and sale of medical cannabis, the division may, in its discretion and upon application on the prescribed form made to it, issue and grant to the applicant a license or registration from any of the following classes, subject to the provisions and restrictions provided by sections 195.900 to 195.985:

(1) Medical cannabis center license;

(2) Medical cannabis cultivation and production facility license:

(3) Medical cannabis testing facility license;

(4) Occupational licenses and registrations for owners, managers, operators, employees, contractors, and other support staff employed by, working in, or having access to restricted areas of the licensed premises as determined by the division. The division may take any action with respect to a registration under sections 195.900 to 195.985 as it may with respect to a license under sections 195.900 to 195.985, in accordance with the procedures established under sections 195.900 to 195.985.

2. In order to do business in Missouri under sections 195.900 to 195.985, a medical cannabis business shall hold both a medical cannabis center license and a medical cannabis cultivation and production facility license and shall be operated as a vertically integrated business.

3. A medical cannabis business shall use a cannabis plant monitoring system as the primary inventory tracking system of records.

<u>4. A state-chartered bank or a credit union may loan money to any person licensed under</u> sections 195.900 to 195.985 for the operation of a licensed business.

5. A medical cannabis testing facility shall be licensed, approved, and certified by the division in order to test medical cannabis. A person who is an owner of a medical cannabis cultivation and production facility or a medical cannabis center facility is prohibited from having a financial interest in a medical cannabis testing facility. An owner of a medical cannabis testing facility is prohibited from having a financial interest in a medical cannabis center facility or a medical cannabis testing facility.

<u>195.951. 1. A medical cannabis center license shall be issued only to a person selling</u> medical cannabis under the terms and conditions of sections 195.900 to 195.985.

2. Notwithstanding the provision of this section, a medical cannabis center licensee may also sell medical cannabis-infused products that are prepackaged and labeled under subsection 7 of this section.

3. Except as otherwise provided in subsection 4 of this section, every person selling medical cannabis as provided for in this section shall sell medical cannabis grown in its medical cannabis cultivation and production facility licensed under sections 195.900 to 195.985.

4. A medical cannabis center licensee shall not purchase more than thirty percent of its total on-hand inventory of medical cannabis flower from another licensee medical cannabis center licensee in Missouri. A medical cannabis center licensee shall not sell more than thirty percent of its total on-hand inventory of medical cannabis flower to another Missouri medical cannabis licensee. At least seventy percent of the medical cannabis flower sold at a medical cannabis center shall be grown at its cultivation and production facility.

5. Prior to initiating a sale, the employee of the medical cannabis center making the sale shall verify that the purchaser has a valid registration card issued under section 195.981 and a valid picture identification card that matches the name on the registration card.

<u>6. A licensed medical cannabis center shall provide an amount of its medical cannabis established by rule of the division for testing to a medical cannabis testing facility.</u>

7. All medical cannabis sold at a licensed medical cannabis center shall be labeled as follows:

(1) The medical cannabis center shall place a legible, firmly affixed label on medical cannabis, excluding medical cannabis-infused products, on which the wording is no less than one-sixteenth inch in size on each package of medical cannabis that it prepares for dispensing and which contains at a minimum the following information:

(a) The registered qualifying patient's name:

(b) The name and registration number of the medical cannabis center that produced the cannabis, together with the medical cannabis center's telephone number and mailing address, and website information, if any:

(c) The quantity of usable medical cannabis contained within the package;

(d) The date that the medical cannabis center packaged the contents;

(e) A batch number, sequential serial number, and bar code when used, to identify the batch associated with manufacturing and processing;

(f) The cannabinoid profile of the medical cannabis contained within the package. including tetrahydrocannabinol (THC) level; and

(g) A statement that the product has been tested for contaminants, that there were no adverse findings, and the date of testing, and the following statement, including capitalization: "This product has not been analyzed or approved by the FDA. There is limited information on the side effects of using this product, and there may be associated health risks. Do not drive or operate machinery when under the influence of this product. KEEP THIS PRODUCT AWAY FROM CHILDREN."

(2) The medical cannabis center shall place a legible, firmly affixed label on medical cannabis-infused products on which the wording is no less than one-sixteenth inch in size on each medical cannabis-infused product that it prepares for dispensing and which contains at a minimum the following information:

(a) The registered qualifying patient's name;

(b) The name and registration number of the medical cannabis center that produced the medical cannabis-infused product, together with the medical cannabis center's telephone number and mailing address, and website information, if any:

(c) The name of the product;

(d) The quantity of usable cannabis contained within the product as measured in ounces;

(e) A list of ingredients, including the cannabinoid profile of the cannabis contained within the product, including the tetrahydrocannabinol (THC) level;

(f) The date of product creation and the recommended "use by" or expiration date:

(g) To identify the batch associated with manufacturing and processing, a batch number, sequential serial number, and bar code when used;

(h) Directions for use of the product if relevant;

(i) A statement that the product has been tested for contaminants, that there were no adverse findings, and the date of testing;

(j) A warning if known allergens are contained in the product; and

(k) The following statement, including capitalization: "This product has not been analyzed or approved by the FDA. There is limited information on the side effects of using this product, and there may be associated health risks. Do not drive or operate machinery when under the influence of this product. KEEP THIS PRODUCT AWAY FROM CHILDREN."

(3) Cannabis shall be packaged in plain, opaque, tamperproof, and child-resistant containers without depictions of the product, cartoons, or images other than the medical cannabis center's logo.

<u>8. A licensed medical cannabis center shall comply with all provisions of law as such provisions relate to persons with disabilities.</u>

<u>195.954. A medical cannabis cultivation and production facility license shall only be</u> <u>issued to a person licensed under this section who grows and cultivates medical cannabis and</u> <u>who manufactures medical cannabis or medical cannabis-infused products under the terms and</u> <u>conditions of sections 195.900 to 195.985.</u>

195.957. 1. The department of health and senior services is the designated state agency for regulating and controlling the manufacturing of medical cannabis-infused products.

<u>2. (1) Medical cannabis-infused products shall be prepared on a cultivation and</u> production facility licensed premises that is used for the manufacture and preparation of medical cannabis-infused products and which uses equipment that is used for the manufacture and preparation of medical cannabis-infused products.

(2) Only a licensed medical cannabis cultivation and production facility is permitted to produce medical cannabis-infused products. A medical cannabis cultivation and production facility may produce medical cannabis-infused products for the facility's medical cannabis centers and may sell the medical cannabis-infused products it produces to any other licensed medical cannabis centers in the state.

(3) The medical cannabis cultivation and production facility shall have all cannabis cultivated by such facility tested by a licensed medical cannabis testing facility in accordance with the following:

(a) Cannabis shall be tested for the cannabinoid profile and for contaminants as specified by the department, including, but not limited to, mold, mildew, heavy metals, plant-growth regulators, and the presence of nonorganic pesticides. The department may require additional testing;

(b) The facility shall maintain the results of all testing for no less than one year:

(c) The facility shall have and follow a policy and procedure for responding to results indicating contamination, which shall include destruction of contaminated product and assessment of the source of contamination. Such policy shall be available to registered qualifying patients and primary caregivers:

(d) All testing shall be conducted by an independent laboratory that is:

a. Accredited to International Organization for Standardization (ISO) 17025 by a thirdparty accrediting body such as A2LA or ACLASS; or

b. Certified, registered, or accredited by an organization approved by the department.

(e) The facility shall arrange for testing to be conducted in accordance with the frequency required by the department;

(f) A facility shall have a contractual arrangement with a medical cannabis testing facility for the purposes of testing cannabis, including a stipulation that those individuals responsible for testing at the medical cannabis testing facility be licensed;

(g) A medical cannabis cultivation and production facility is prohibited from having any financial or other interest in a medical cannabis testing facility providing testing services for any medical cannabis cultivation and production facility:

(h) No individual employee of a medical cannabis testing facility providing testing services for medical cannabis cultivation and production facilities shall receive direct financial compensation from any medical cannabis cultivation and production facility;

(i) All transportation of cannabis to and from laboratories providing cannabis testing services shall comply with rules promulgated under any rulemaking authority granted in sections 195.900 to 195.985;

(j) All storage of cannabis at a laboratory providing cannabis testing services shall comply with subdivision (4) of this subsection; and

(k) All excess cannabis shall be returned to the source medical cannabis cultivation and production facility and be disposed of under paragraph (e) of subdivision (6) of this subsection.

(4)(a) All cannabis in the process of cultivation, production, preparation, transport, or analysis shall be housed and stored in such a manner as to prevent diversion, theft, or loss.

(b) Such items shall be accessible only to the minimum number of specifically authorized dispensary agents essential for efficient operation.

(c) Such items shall be returned to a secure location immediately after completion of the process or at the end of the scheduled business day.

(d) If a manufacturing process cannot be completed at the end of a working day, the processing area or tanks, vessels, bins, or bulk containers containing cannabis shall be securely locked inside an area or building that affords adequate security.

(5) A medical cannabis cultivation and production facility shall process cannabis in a safe and sanitary manner. A facility shall process the leaves and flowers of the female cannabis plant only, which shall be:

(a) Well cured and free of seeds and stems;

(b) Free of dirt, sand, debris, and other foreign matter;

(c) Free of contamination by mold, rot, other fungus, and bacterial diseases;

(d) Prepared and handled on food-grade stainless steel tables; and

(e) Packaged in a secure area.

(6) All facilities, including those that develop or process nonedible medical cannabisinfused products, shall comply with the following sanitary requirements:

(a) Any dispensary agent whose job includes contact with cannabis or nonedible medical cannabis-infused products, including cultivation, production, or packaging, is subject to the requirements for food handlers under state law and in accordance with rules of the department of health and senior services:

(b) Any dispensary agent working in direct contact with preparation of cannabis or nonedible medical cannabis-infused products shall conform to sanitary practices while on duty, including:

a. Maintaining adequate personal cleanliness; and

b. Washing hands thoroughly in an adequate hand-washing area before starting work, and at any other time when hands may have become soiled or contaminated.

(c) Hand-washing facilities shall be adequate and convenient and shall be furnished with running water at a suitable temperature. Hand-washing facilities shall be located in the facility in production areas and where good sanitary practices require employees to wash and sanitize their hands, and shall provide effective hand cleaning and sanitizing preparations and sanitary towel service or suitable drying devices:

(d) There shall be sufficient space for placement of equipment and storage of materials as is necessary for the maintenance of sanitary operations;

(e) Litter and waste shall be properly removed, disposed of so as to minimize the development of odor, and shall minimize the potential for the waste attracting and harboring pests. The operating systems for waste disposal shall be maintained in an adequate manner;

(f) Floors, walls, and ceilings shall be constructed in such a manner that they may be adequately kept clean and in good repair;

(g) There shall be adequate safety lighting in all processing and storage areas, as well as areas where equipment or utensils are cleaned;

(h) Buildings, fixtures, and other physical facilities shall be maintained in a sanitary condition;

(i) All contact surfaces, including utensils and equipment, shall be maintained in a clean and sanitary condition. Such surfaces shall be cleaned and sanitized as frequently as necessary to protect against contamination, using a sanitizing agent registered by the United States Environmental Protection Agency (EPA), in accordance with labeled instructions. Equipment and utensils shall be so designed and of such material and workmanship as to be adequately cleanable;

(j) All toxic items shall be identified, held, and stored in a manner that protects against contamination of cannabis and medical cannabis-infused products;

(k) A facility's water supply shall be sufficient for necessary operations. Any private water source shall be capable of providing a safe, potable, and adequate supply of water to meet the facility's needs;

(1) Plumbing shall be of adequate size and design, and adequately installed and maintained to carry sufficient quantities of water to required locations throughout the facility. Plumbing shall properly convey sewage and liquid disposable waste from the facility. There shall be no cross-connections between the potable and waste water lines;

(m) A facility shall provide its employees with adequate, readily accessible toilet facilities that are maintained in a sanitary condition and in good repair:

(n) Products that may support the rapid growth of undesirable microorganisms shall be held in a manner that prevents the growth of such microorganisms; and

(o) Storage and transportation of finished products shall be under conditions that shall protect them against physical, chemical, and microbial contamination as well as against deterioration of them or their container.

<u>3. (1) A medical cannabis cultivation and production facility shall provide adequate</u> <u>lighting, ventilation, temperature, humidity, space, and equipment.</u>

(2) A facility shall have separate areas for storage of cannabis that is outdated, damaged, deteriorated, mislabeled, or contaminated, or whose containers or packaging have been opened or breached, until such products are destroyed.

(3) Facility storage areas shall be maintained in a clean and orderly condition.

(4) Facility storage areas shall be free from infestation by insects, rodents, birds, and pests of any kind.

(5) Facility storage areas shall be maintained in accordance with the security requirements promulgated under the authority granted in sections 195.900 to 195.985.

195.960. 1. Until a medical cannabis cultivation and production facility's cultivation or production process has been validated, such facility shall not wholesale, transfer, or process into a medical cannabis concentrate or medical cannabis product any medical cannabis, medical cannabis concentrate, or medical cannabis product unless samples from the harvest batch or production batch from which such medical cannabis, medical cannabis concentrate, or medical cannabis, medical cannabis product was derived were tested by a medical cannabis testing facility for contaminants and passed all contaminant tests required by subsection 3 of this section.

2. (1) A medical cannabis cultivation and production facility's cultivation process shall be deemed valid if every harvest batch that it produced during a twelve-week period passed all contaminant tests required by subsection 3 of this section, including at least twelve test batches that were submitted at least six days apart and contained samples from entirely different harvest batches.

(2) A facility's production process shall be deemed valid if every production batch that it produced during a four-week period passed all contaminant tests required by

subsection 3 of this section, including at least four test batches that were submitted at least six days apart which contained samples from entirely different production batches.

3. (1) Each harvest batch of medical cannabis and production batch of medical cannabis concentrate and medical cannabis product shall be tested for microbial contamination by a medical cannabis testing facility. The microbial contamination test shall include, but not be limited to, testing to determine the presence of and amounts present of salmonella sp., escherichia coli, and other bile-tolerant bacteria. Each harvest batch of medical cannabis and production batch of medical cannabis concentrate and medical cannabis product shall be tested for mold contamination by a medical cannabis testing facility. The mold contamination test shall include, but shall be limited to, testing to determine presence and the level of aspergillus sp., mucor sp., penicillium sp., and thermophilic actinomycetes sp.

(2) Each harvest batch of medical cannabis produced by a facility shall be tested for filth and other visible contamination by a medical cannabis testing facility. The filth contamination test shall include, but shall not be limited to, the detection, separation, quantification, identification, and interpretation of extraneous materials, including insects, rodent droppings, visible adulterants, and other contaminants, in medical cannabis flowers and trim.

(3) Each production batch of solvent-based medical cannabis concentrate produced by a facility shall be tested for residual solvent contamination by a medical cannabis testing facility. The residual solvent contamination test shall include, but not be limited to, testing to determine the presence of, and amounts present of, butane, propane, ethanol, isopropanol, acetone, and heptane.

4. (1) The division may require additional tests to be conducted on a harvest batch or production batch prior to a facility wholesaling, transferring, or processing into a medical cannabis concentrate or medical cannabis product any medical cannabis, medical cannabis concentrate, or medical cannabis product from such harvest batch or production batch. Additional tests may include, but not be limited to, screening for pesticides, harmful chemicals, adulterants, or other types of microbials, molds, filth, or residual solvents.

(2) (a) A production batch of medical cannabis concentrate shall be considered exempt from subdivision (1) of this subsection if the facility that produced it does not wholesale or transfer any portion of the production batch and it uses the entire production batch to manufacture medical cannabis product; except that, a solvent-based medical cannabis concentrate produced using butane, propane, ethanol, isopropanol, acetone, heptane shall still be submitted for a residual solvent contaminant test.

(b) A facility shall not be required to have residual solvent testing conducted on the product batch of a solvent-based medical cannabis concentrate if only CO2 was used during the production of the medical cannabis concentrate.

5. (1) (a) If a facility makes a material change to its cultivation or production process, such facility shall have the first five harvest batches or production batches produced using the new standard operating procedures tested for all of the contaminants required by subsection 3 of this section regardless of whether its process has been previously validated. If any such tests fail, such facility's process shall be revalidated.

(b) It shall be considered a material change if a facility begins using a new or different pesticide during its cultivation process, and the first five harvest batches produced using the new or different pesticide shall also be tested for pesticide.

(c) It shall be considered a material change if a facility begins using a new or different solvent or combination of solvents.

(d) A facility that makes a material change shall notify the medical cannabis testing facility that conducts contaminant testing on the first five harvest batches or production batches produced using the new standard operating procedures.

(e) When a harvest batch or production batch is required to be submitted for testing under this subsection, the facility that produced it shall not wholesale, transfer, or process into a medical cannabis concentrate or medical cannabis product any of the medical cannabis, medical cannabis concentrate, or medical cannabis product from such harvest batch or production batch.

(2) If six of the ten most recently tested test batches produced by a facility fail contaminant testing, the facility shall be required to revalidate its process.

6. Notwithstanding any other provision of state law, sales of medical cannabis-infused products shall not be exempt from state or local sales tax.

195.961.1. A tax is hereby levied and imposed upon the retail sale of cannabis for medical use sold at medical cannabis centers within the state. The tax shall be equivalent to two percent of the retail price. The purpose and intent of the tax is to impose a tax upon the privilege of engaging in the business, in this state, of selling medical cannabis. The primary tax burden is placed on making taxable sales of medical cannabis. All sellers of medical cannabis shall be required to report to the director of revenue, on such forms and in such manner as the director of revenue shall prescribe. Their "gross receipts from the sale of medical cannabis," defined to mean the aggregate amount of the sales price of all sales at retail of medical cannabis, and remit to the director of revenue two percent of their gross receipts from the sales of medical cannabis.

2. After retaining no more than five percent for its actual collection costs, one-half percent of the amount generated by the tax imposed in this section shall be deposited by the department of revenue into the Missouri Veterans' Health and Care Fund, one-half percent of the amount generated by the tax imposed in this section will be deposited by the department of revenue into the Missouri Public Safety Fund, one-half percent of the amount generated by the tax imposed in this section shall be deposited by the department of revenue into the Missouri Drug Treatment Fund, and one-half percent of the amount generated by the tax imposed in this section shall be deposited by the department of revenue into the Missouri Education and Care Fund created by section 161.125. Licensed entities making retail sales within the state shall be allowed approved credit for returns provided the tax was paid on the returned item and the purchaser was given the refund or credit.

(1) There is hereby created in the state treasury the "Missouri Veterans' Health and Care Fund," which shall consist of certain taxes and fees collected under this section. The State Treasurer shall be custodian of the fund, and he or she shall invest moneys in the fund in the same manner as other funds are invested. Any interest and moneys earned on such investments shall be credited to the fund. Notwithstanding any other provision of law, any moneys remaining in the fund at the end of a biennium shall not revert to the credit of the general revenue fund. The commissioner of administration is authorized to make cash operating transfers to the fund for purposes of meeting the cash requirements of the department in advance of it receiving annual application, licensing, and tax revenue, with any such transfers to be repaid as provided by law. The fund shall be a dedicated fund and shall stand appropriated without further legislative action as follows:

(a) First, to the department, an amount necessary for the department to carry out this section, including repayment of any cash operating transfers, payments made through contract or agreement with other state and public agencies necessary to carry out this section, and a reserve fund to maintain a reasonable working cash balance for the purpose of carrying out this section.

(b) Next, the remainder of such funds shall be transferred to the Missouri Veterans Commission for health and care services for military veterans, including the following purposes: operations, maintenance and capital improvements of the Missouri Veteran's Homes, the Missouri Service Officer's Program, and other services for veterans approved by the Commission, including, but not limited to, health care services, mental health services, drug rehabilitation services, housing assistance, job training, tuition assistance, and housing assistance to prevent homelessness. The Missouri Veterans Commission shall contract with other public agencies for the delivery of services beyond its expertise.

(c) All moneys from the taxes authorized under this subsection shall provide additional dedicated funding for the purposes enumerated above and shall not replace existing dedicated funding.

(2) There is hereby created in the state treasury the "Missouri Public Safety Fund", which shall consist of taxes and fees collected under this section. The State Treasurer shall be custodian of the fund, and he or she shall invest moneys in the fund in the same manner as other funds are invested. Any interest and moneys earned on such investments shall be credited to the fund. Notwithstanding any other provision of law, any moneys remaining in the fund at the end of a biennium shall not revert to the credit of the general revenue fund. The Commissioner of Administration is authorized to make cash operating transfers to the fund for purposes of meeting the cash requirements of the Department in advance of it receiving annual application, licensing, and tax revenue, with any such transfers to be repaid as provided by law. The fund shall be a dedicated fund and shall stand appropriated without further legislative action as follows:

(a) First, to the Department, an amount necessary for the Department to carry out this section, including repayment of any cash operating transfers, payments made through contract or agreement with other state and public agencies necessary to carry out this section, and a reserve fund to maintain a reasonable working cash balance for the purpose of carrying out this section.

(b) Next, the remainder of such funds shall be allocated evenly to all police departments, fire protection districts, and fire departments in the State of Missouri that have medical cannabis centers or medical cannabis cultivation and production facilities within their geographic boundaries.

(c) All moneys from the taxes authorized under this subsection shall provide additional dedicated funding for the purposes enumerated above and shall not replace existing dedicated funding.

(3) There is hereby created in the state treasury the "Missouri Drug Treatment Fund." which shall consist of taxes and fees collected under this section. The State Treasurer shall be custodian of the fund, and he or she shall invest moneys in the fund in the same manner as other funds are invested. Any interest and moneys earned on such investments shall be credited to the fund. Notwithstanding any other provision of law, any moneys remaining in the fund at the end of a biennium shall not revert to the credit of the general revenue fund. The Commissioner of Administration is authorized to make cash operating transfers to the fund for purposes of meeting the cash requirements of the Department in advance of it receiving annual application, licensing, and tax revenue, with any such transfers to be repaid as provided by law. The fund shall be a dedicated fund and shall stand appropriated without further legislative action as follows:

(a) First, to the Department, an amount necessary for the Department to carry out this section, including repayment of any cash operating transfers, payments made through contract or agreement with other state and public agencies necessary to carry out this section, and a reserve fund to maintain a reasonable working cash balance for the purpose of carrying out this section.

(b) Next, the remainder of such funds shall be allocated evenly to all Missouri Drug Treatment Centers that are funded by the State of Missouri.

(c) All moneys from the taxes authorized under this subsection shall provide additional dedicated funding for the purposes enumerated above and shall not replace existing dedicated funding.

(4) The department of revenue shall have the authority to establish, revise, and amend rules as necessary to carry into effect the tax imposed by this section and to issue all forms, instructions and other documents necessary for the collection of the tax.

<u>3. The provisions of sections 144.010 through 144.527 shall apply to the administration of the tax imposed by this section.</u>

<u>195.963. 1. (1)</u> There is hereby created in the state treasury the "Medical Cannabis License Cash Fund," which shall consist of all moneys collected by the division under sections

<u>195.900 to 195.985.</u> The state treasurer shall be custodian of the fund. In accordance with sections 30.170 and 30.180, the state treasurer may approve disbursements. The fund shall be a dedicated fund and, upon appropriation, moneys in the fund shall be used solely for the administration of sections 195.900 to 195.985.

(2) Notwithstanding the provisions of section 33.080 to the contrary, any moneys remaining in the fund at the end of the biennium shall not revert to the credit of the general revenue fund.

(3) The state treasurer shall invest moneys in the fund in the same manner as other funds are invested. Any interest and moneys earned on such investments shall be credited to the fund.

(4) There is hereby created the "Medical Cannabis Program Account" as an account within the medical cannabis license cash fund. The account shall consist of all moneys collected by the department of health and senior services under section 195.981. The account shall be a dedicated account and, upon appropriation, moneys in the account shall be used solely for the administration of section 195.981.

2. (1) The division shall require all applicants for initial state licenses under sections 195.900 to 195.985 to submit a nonrefundable application fee of twelve thousand five hundred dollars for a medical cannabis center license, and twelve thousand five hundred dollars for a medical cannabis cultivation and production facility license. The division shall require all applicants for initial state licenses under sections 195.900 to 195.985 to submit an annual license fee of twelve thousand five hundred dollars for a medical cannabis center license, and twelve thousand five thousand for a cultivation and production facility license. All applications submitted shall be accompanied by all applicable state license and application fees. Any applications which are later denied or withdrawn may allow for a refund of license fees only. All application fees provided by an applicant shall be retained by the division.

(2) The division shall establish all other fees for processing the following types of applications, licenses, notices, or reports required to be submitted to the state licensing authority:

(a) Applications to change location under subsection 13 of section 195.936 and rules promulgated thereunder;

(b) Applications for transfer of ownership under section 195.933 and rules promulgated thereunder:

(c) License renewal fees, application fees for renewals, and expired license renewal applications under section 195.939; and

(d) Licenses as listed in section 195.948.

(3) The amounts of the fees under subdivisions (1) and (2) of this subsection, when added to the other fees transferred to the fund under this section, shall reflect the actual direct and

indirect costs of the division in the administration and enforcement of sections 195.900 to 195.985.

(4) The division may charge applicants licensed under sections 195.900 to 195.985 a fee for the cost of each fingerprint analysis and background investigation undertaken to qualify new officers, directors, managers, or employees.

(5) At least annually, the division shall review the amounts of the fees and, if necessary, adjust the amounts to reflect the direct and indirect costs of the division.

3. Except as provided in subsection 4 of this section, the division shall establish a basic fee that shall be paid at the time of service of any subpoena upon the division, plus a fee for meals and a fee for mileage at the rate prescribed for state officers and employees, for each mile actually and necessarily traveled in going to and returning from the place named in the subpoena. If the person named in the subpoena is required to attend the place named in the subpoena for more than one day, there shall be paid, in advance, a sum to be established by the division for each day of attendance to cover the expenses of the person named in the subpoena.

4. The subpoena fee established under subsection 3 of this section shall not be applicable to any federal, state, or local governmental agency.

195.966. 1. Except as otherwise provided, all fees and fines provided for by sections 195.900 to 195.985 shall be paid to the division, which shall transmit the fees to the state treasurer. The state treasurer shall credit the fees to the medical cannabis license cash fund created in section 195.963.

<u>2. The expenditures of the division shall be paid out of appropriations from the medical cannabis license cash fund created in section 195.963.</u>

<u>195.969. 1. Each application for a local license provided for in sections 195.900 to</u> <u>195.985 filed with a local licensing authority shall be accompanied by an application fee and</u> <u>a license fee in an amount determined by the local licensing authority not to exceed ten</u> <u>percent of the state application fee and license fee.</u>

2. License fees as determined by the local licensing authority shall be paid to the treasurer of the municipality or county where the licensed premises is located in advance of the approval, denial, or renewal of the license.

195.972. 1. In addition to any other sanctions prescribed by sections 195.900 to 195.985 or rules promulgated under sections 195.900 to 195.985, the division or a local licensing authority has the power, on its own motion or on complaint, after investigation and opportunity for a public hearing at which the licensee shall be afforded an opportunity to be heard, to suspend or revoke a license issued by the respective authority for a violation by the licensee or by any of the agents or employees of the licensee of the provisions of sections 195.900 to 195.985, or any of the rules promulgated under sections 195.900 to 195.985, or of any of the terms, conditions, or provisions of the license issued by the division or local licensing authority. The division or a local licensing authority has the power to administer oaths and issue subpoenas to require the presence of persons and the production of papers, books, and records necessary to the determination of a hearing that the division or local licensing authority is authorized to conduct.

2. The division or local licensing authority shall provide notice of suspension, revocation, fine, or other sanction, as well as the required notice of the hearing under subsection 1 of this section by mailing the same in writing to the licensee at the address contained in the license. Except in the case of a summary suspension under section 195.984, a suspension shall not be for a longer period than six months. If a license is suspended or revoked, a part of the fees paid therefore shall not be returned to the licensee. Any license or permit may be summarily suspended by the issuing licensing authority without notice, pending any prosecution, investigation, or public hearing under the terms of section 195.984. Nothing in this section shall prevent the summary suspension of a license under section 195.984.

3. (1) Whenever a decision of the division or a local licensing authority suspending a license for fourteen days or less becomes final, the licensee may, before the operative date of the suspension, petition for permission to pay a fine in lieu of having the license suspended for all or part of the suspension period. Upon the receipt of the petition, the division or local licensing authority may, in its sole discretion, stay the proposed suspension and cause any investigation to be made which it deems desirable and may, in its sole discretion, grant the petition if the division or local licensing authority is satisfied that:

(a) The public welfare and morals shall not be impaired by permitting the licensee to operate during the period set for suspension and that the payment of the fine shall achieve the desired disciplinary purposes;

(b) The books and records of the licensee are kept in such a manner that the loss of sales that the licensee would have suffered had the suspension gone into effect may be determined with reasonable accuracy; and

(c) The licensee has not had his or her license suspended or revoked, nor had any suspension stayed by payment of a fine, during the two years immediately preceding the date of the motion or complaint that resulted in a final decision to suspend the license or permit.

(2) The fine accepted shall be not less than five hundred dollars nor more than one hundred thousand dollars.

(3) Payment of a fine under the provisions of this subsection shall be in the form of cash or in the form of a certified check or cashier's check made payable to the division or local licensing authority, whichever is appropriate.

<u>4. Upon payment of the fine under subsection 3 of this section, the division or local</u> <u>licensing authority shall enter its further order permanently staying the imposition of the</u> <u>suspension. If the fine is paid to a local licensing authority, the governing body of the authority</u> shall cause the moneys to be paid into the general fund of the local licensing authority. Fines paid to the division under subsection 3 of this section shall be transmitted to the state treasurer who shall credit the same to the medical cannabis license cash fund created in section 195.963.

5. In connection with a petition under subsection 3 of this section, the authority of the division or local licensing authority is limited to the granting of such stays as are necessary for the authority to complete its investigation and make its findings and, if the authority makes such findings, to the granting of an order permanently staying the imposition of the entire suspension or that portion of the suspension not otherwise conditionally stayed.

6. If the division or local licensing authority does not make the findings required in subdivision (1) of subsection 3 of this section and does not order the suspension permanently stayed, the suspension shall go into effect on the operative date finally set by the division or local licensing authority.

7. Each local licensing authority shall report all actions taken to impose fines, suspensions, and revocations to the division in a manner required by the division. No later than January fifteenth of each year, the division shall compile a report of the preceding year's actions in which fines, suspensions, or revocations were imposed by local licensing authorities and by the division. The division shall file one copy of the report with the chief clerk of the house of representatives, one copy with the secretary of the senate, and six copies in the legislative library.

195.975. 1. Each licensee shall keep a complete set of all records necessary to show fully the business transactions of the licensee, all of which shall be open at all times during business hours for the inspection and examination of the division or its duly authorized representatives. The division may require any licensee to furnish such information as it considers necessary for the proper administration of this section and may require an audit to be made of the books of account and records on such occasions as it may consider necessary by an auditor to be selected by the division who shall likewise have access to all books and records of the licensee, and the expense thereof shall be paid by the licensee.

2. The licensed premises, including any places of storage where medical cannabis is grown, stored, cultivated, sold, or dispensed, shall be subject to inspection by the division or local licensing authorities and their investigators, during all business hours and other times of apparent activity, for the purpose of inspection or investigation. For examination of any inventory or books and records required to be kept by the licensees, access shall be required during business hours. Where any part of the licensed premises consists of a locked area, upon demand to the licensee, such area shall be made available for inspection without delay, and, upon request by authorized representatives of the division or local licensing authority, the licensee shall open the area for inspection.

<u>3. Each licensee shall retain all books and records necessary to show fully the business transactions of the licensee for a period of the current tax year and the three immediately prior tax years.</u>

<u>195.978. 1. Except as otherwise provided in sections 195.900 to 195.985, it is</u> <u>unlawful for a person:</u>

(1) To consume medical cannabis in a licensed medical cannabis center, and it shall be unlawful for a medical cannabis licensee to allow medical cannabis to be consumed upon its licensed premises:

(2) With knowledge, to permit or fail to prevent the use of such person's registry identification by any other person for the unlawful purchasing of medical cannabis; or

(3) To buy, sell, transfer, give away, or acquire medical cannabis, except as allowed under sections 195.900 to 195.985.

2. It is unlawful for a person licensed under sections 195.900 to 195.985:

(1) To be within a limited-access area unless the person's license badge is displayed as required by sections 195.900 to 195.985;

(2) To fail to designate areas of ingress and egress for limited-access areas and post signs in conspicuous locations as required by sections 195.900 to 195.985;

(3) To fail to report a transfer required by section 195.933; or

(4) To fail to report the name of or a change in managers as required by section 195.936.

<u>3. It is unlawful for any person licensed to sell medical cannabis under sections</u> <u>195.900 to 195.985:</u>

(1) To sell more than two and one-half ounces of cannabis flower or its equivalent in cannabis concentrate or cannabis product during a sales transaction to a qualifying patient;

(2) To display any signs that are inconsistent with local laws or regulations;

(3) To use advertising material that is misleading, deceptive, or false, or that is designed to appeal to minors;

(4)(a) To sell medical cannabis to a person not licensed under sections 195.900 to 195.985 or to a person not able to produce a valid patient registry identification card. Notwithstanding any provision in this paragraph to the contrary, a person under twenty-one years of age shall not be employed to sell or dispense medical cannabis at a medical cannabis center or grow or cultivate medical cannabis at a medical cannabis cultivation and production facility;

(b) If a licensee or a licensee's employee has reasonable cause to believe that a person is exhibiting a fraudulent patient registry identification card in an attempt to obtain
medical cannabis, the licensee or employee shall be authorized to confiscate the fraudulent patient registry identification card, if possible, and shall, within seventy-two hours after the confiscation, turn it over to the department of health and senior services or local law enforcement agency. The failure to confiscate the fraudulent patient registry identification card or to turn it over to the department or a state or local law enforcement agency within seventy-two hours after the confiscation shall not constitute a criminal offense;

(5) To offer for sale or solicit an order for medical cannabis in person except within the licensed premises:

(6) To have in possession or upon the licensed premises any medical cannabis, the sale of which is not permitted by the license:

(7) To buy medical cannabis from a person not licensed to sell as provided by sections 195.900 to 195.985;

(8) To sell medical cannabis except in the permanent location specifically designated in the license for sale;

(9) To require a medical cannabis center or medical cannabis cultivation and production facility to make delivery to any premises other than the specific licensed premises where the medical cannabis is to be sold, except as otherwise provided under sections 195.900 to 195.985; or

(10) To sell, serve, or distribute medical cannabis at any time other than between the hours of 8:00 a.m. and 7:00 p.m. Monday through Sunday.

4. Except as otherwise provided in sections 195.900 to 195.985, it is unlawful for:

(1) A medical cannabis center or medical cannabis cultivation and production facility to sell, deliver, or cause to be delivered to a licensee any medical cannabis not grown upon its licensed premises; or

(2) A medical cannabis center or medical cannabis cultivation and production facility to sell, possess, or permit sale of medical cannabis not grown upon its licensed premises. A violation of this subsection by a licensee shall be grounds for the immediate revocation of the license granted under sections 195.900 to 195.985.

5. It shall be unlawful for a physician who makes patient referrals to a licensed medical cannabis center to receive anything of value from the medical cannabis center licensee or its agents, servants, officers, or owners or anyone financially interested in the licensee, and it shall be unlawful for a licensee licensed under sections 195.900 to 195.985 to offer anything of value to a physician for making patient referrals to the licensed medical cannabis center.

6. A person who commits any acts that are unlawful under this section is guilty of a class A misdemeanor.

195.981.1. As used in this section, the following terms shall mean:

(1) "Bona fide physician-patient relationship", for purposes of the medical cannabis program:

(a) A physician and a patient have a treatment or counseling relationship, in the course of which the physician has completed a full assessment of the patient's medical history and current medical condition, including an appropriate personal physical examination;

(b) The physician has consulted with the patient with respect to the patient's qualifying medical condition before the patient applies for a registry identification card; and

(c) The physician is available to or offers to provide follow-up care and treatment to the patient, including, but not limited to, patient examinations, to determine the efficacy of the use of medical cannabis as a treatment of the patient's qualifying medical condition.

(2) "Department", the department of health and senior services.

(3) "Director", the director of the department of health and senior services.

(4) "In good standing", with respect to a physician's license:

(a) The physician holds a doctor of medicine or doctor of osteopathic medicine degree from an accredited medical school;

(b) The physician holds a valid license to practice medicine in Missouri that does not contain a restriction or condition that prohibits the recommendation of medical cannabis; and

(c) The physician has a valid and unrestricted United States Department of Justice Federal Drug Enforcement Administration controlled substances registration.

(5) "Medical cannabis program", the program established under sections 195.900 to 195.985.

(6) "Nonresident cardholder", a person who: (1) has been diagnosed with a qualifying medical condition, or is the parent, guardian, conservator, or other person with authority to consent to the medical treatment of a person who has been diagnosed with a qualifying medical condition; (2) is not a resident of Missouri; (3) was issued a currently valid registry identification card or its equivalent under the laws of another state, district, territory, commonwealth, insular possession of the United States, or country recognized by the United States that allows the person to use cannabis for medical purposes in the jurisdiction of issuance; and (4) has submitted documentation required by the department and has received confirmation of registration.

(7) "Caregiver", the same meaning as such term is defined in section 195.900.

(8) "Registry identification card", the nontransferable confidential registry identification card issued by the department to patients and caregivers under this section.

2. The department of health and senior services shall establish, revise, and amend rules and regulations as follows:

(1) To ensure that patients suffering from qualifying medical conditions are able to safely gain access to medical cannabis and to ensure that such patients:

(a) Are not subject to criminal prosecution for their use of medical cannabis in accordance with this section, and the rules of the department; and

(b) Are able to establish an affirmative defense to their use of medical cannabis in accordance with this section, and the rules of the department.

(2) To prevent persons who do not suffer from qualifying medical conditions from using this section as a means to sell, acquire, possess, produce, use, or transport cannabis in violation of state and federal laws;

(3) The establishment and maintenance of a confidential registry of patients who have applied for and are entitled to receive a registry identification card;

(4) The development by the department of an application form and making such form available to residents of this state seeking to be listed on the confidential registry of patients who are entitled to receive a registry identification card;

(5) The verification by the department of medical information concerning patients who have applied for a confidential registry card or for renewal of a registry identification card:

(6) The development by the department of a written certification form that shall be used by a physician to certify that a patient has a qualifying medical condition:

(7) The conditions for issuance and renewal, and the form, of the registry identification cards issued to patients, including, but not limited to, standards for ensuring that the department issues a registry identification card to a patient only if such patient has a bona fide physician-patient relationship with a physician in good standing and licensed to practice medicine in the state of Missouri:

(8) Communications with law enforcement officials about registry identification cards that have been suspended when a patient is no longer diagnosed as having a qualifying medical condition:

(9) A waiver process to allow a homebound patient who is on the registry to have a caregiver transport the patient's medical cannabis from a licensed medical cannabis center to the patient; and

(10) To regulate and control the manufacturing of medical cannabis-infused products.

3. The department shall conduct a public review hearing to receive public input on any emergency rules adopted by the department and be provided with an update from the industry, caregivers, patients, and other stakeholders regarding the industry's current status. The department shall provide at least five business days' notice prior to the hearing.

4. Within one hundred eighty days of the effective date of this section, the department shall make available to the public application forms and application instructions for qualifying patient and caregiver identification cards. Within two hundred ten days of the effective date of this section, the department shall begin accepting applications for qualifying patient and caregiver identification cards.

5. A physician who certifies a qualifying medical condition for an applicant to the medical cannabis program shall comply with all of the following requirements:

(1) The physician shall have a valid and active license to practice medicine in this state, which license is in good standing:

(2) After a physician, who has a bona fide physician-patient relationship with the patient, determines that the patient has a qualifying medical condition, the physician shall certify to the department that the patient has a qualifying medical condition after the physician has completed an assessment of the qualifying patient's medical history, reviewed relevant records related to the patient's qualifying medical condition and, if known, the cause or source of the qualifying medical condition;

(3) The physician shall maintain a record-keeping system for all patients for whom the physician has determined have a qualifying medical condition:

(4) A physician shall not:

(a) Accept, solicit, or offer any form of pecuniary remuneration from or to a caregiver, distributor, or any other provider of medical cannabis;

(b) Offer a discount or any other thing of value to a patient who uses or agrees to use a particular caregiver, distributor, or other provider of medical cannabis to procure medical cannabis:

(c) Examine a patient for purposes of diagnosing a qualifying medical condition at a location where medical cannabis is sold or distributed:

(d) Hold an economic interest in an enterprise that provides or distributes medical cannabis if the physician certifies the qualifying medical condition of a patient for participation in the medical cannabis program; or

(e) Issue a certification for the medical use of cannabis for a non-emancipated qualifying patient under the age of eighteen without the written consent of the qualifying patient's parent or legal guardian. The department shall not issue a qualifying patient registry identification card on behalf of a non-emancipated qualifying patient under the age of eighteen without the written consent of the qualifying patient's parent or legal guardian. Such registry identification card shall be issued to one of the parents or guardians and not directly to the patient. Only a parent or guardian may serve as caregiver for a non-emancipated qualifying patient under the age of eighteen. A parent or guardian shall supervise the administration of medical cannabis to a non-emancipated qualifying patient under the age of eighteen.

(5) If the department has reasonable cause to believe that a physician has violated subdivision (1), (2), or (3) of subsection 4 of this section, or the rules promulgated by the department, the department may refer the matter to the state board of registration for the healing arts.

<u>6. (1) A caregiver shall not delegate to any other person his or her authority to provide</u> medical cannabis to a patient nor may a caregiver engage others to assist in providing medical cannabis to a patient.

(2) A caregiver shall not cultivate cannabis. Only a medical cannabis cultivation and production facility may cultivate cannabis and only for medical use.

(3) A caregiver shall provide to a law enforcement agency, upon inquiry, the registry identification card number of each of his or her patients. The department shall maintain a registry of such information and make it available twenty-four hours per day and seven days a week to law enforcement for verification purposes.

7. A registered patient or caregiver shall not:

(1) Purchase medical cannabis from unauthorized sources; or

(2) Obtain medical cannabis from other registered patients or caregivers.

8. (1) To be considered in compliance with this section and the rules of the department, a patient or caregiver shall have his or her registry identification card in his or her possession at all times that he or she is in possession of any form of medical cannabis and produce the same upon request of a law enforcement officer to demonstrate that the patient or caregiver is not in violation of the law. A person who violates this section or the rules promulgated by the department may be subject to criminal prosecution.

(2) The department shall maintain a registry of such information and make available twenty-four hours a day and seven days a week to law enforcement for verification purposes. Authorized employees of state or local law enforcement agencies shall be granted access to the information contained within the state health agency's confidential registry only for the purpose of verifying that an individual who has presented a registry identification card to a state or local law enforcement official is lawfully in possession of such card. The department may promulgate rules to implement this subsection.

(3) The department may deny a patient's application for a registry identification card or revoke the card if the department determines that the physician who diagnosed the patient's qualifying medical condition, the patient, or the caregiver violated this section, or the rules promulgated by the department under this section; except that, when a physician's violation is the basis for adverse action, the department may only deny or revoke a patient's application or registry identification card when the physician's violation is related to the issuance of a medical cannabis recommendation.

(4) A registry identification card shall be valid for one year and shall contain a unique identification number. It shall be the responsibility of the patient to apply to renew his or her registry identification card prior to the date on which the card expires. The department shall develop a form for a patient to use in renewing his or her registry identification card.

(5) If the department grants a patient a waiver to allow a caregiver to transport the patient's medical cannabis from a medical cannabis center to the patient, the department shall designate the waiver on the patient's registry identification card.

(6) A homebound patient who receives a waiver from the department to allow a caregiver to transport the patient's medical cannabis to the patient from a medical cannabis center shall provide the caregiver with the patient's registry identification card, which the caregiver shall carry when the caregiver is transporting the medical cannabis. A medical cannabis center may provide the medical cannabis to the caregiver for transport to the patient if the caregiver produces the patient's registry identification card.

9. (1) The State of Missouri and the medical cannabis centers in this State which hold valid medical cannabis center licenses will recognize a nonresident card under the following circumstances:

(a) The state or jurisdiction from which the holder or bearer obtained the nonresident card grants an exemption from criminal prosecution for the medical use of cannabis;

(b) The state or jurisdiction from which the holder or bearer obtained the nonresident card requires, as a prerequisite to the issuance of such a card, that a physician advise the person that the person has a qualifying medical condition recognized by the state of Missouri;

(c) The nonresident card has an expiration date and has not yet expired;

(d) The state or jurisdiction from which the holder or bearer obtained the nonresident card maintains a database which preserves such information as may be necessary to verify the authenticity or validity of the nonresident card;

(e) The state or jurisdiction from which the holder or bearer obtained the nonresident card allows the division and medical cannabis centers in this State to access the database described in paragraph (d);

(f) The division determines that the database described in paragraph (d) is able to provide to medical cannabis centers in this State information that is sufficiently accurate, current and specific as to allow those centers to verify that a person who holds or bears a nonresident card is entitled lawfully to do so; and

(g) The holder or bearer of the nonresident card agrees to abide by, and does abide by, the legal limits on the possession of cannabis for medical purposes in this State, as set forth in 195.900.3(1).

(2) For the purposes of the reciprocity described in this section:

(a) The amount of medical cannabis that the holder or bearer of a nonresident card is entitled to possess in his or her state or jurisdiction of residence is irrelevant; and

(b) Under no circumstances, while in this State, may the holder or bearer of a nonresident card possess cannabis for medical purposes in excess of the limits set forth in 195.900.3(1).

(3) As used in this section, "nonresident card" means a card or other identification that:

(a) Is issued by a state or jurisdiction other than Missouri; and

(b) Is the functional equivalent of a registry identification card or letter of approval, as determined by the division.

10. (1) The use of medical cannabis is allowed under state law to the extent that it is carried out in accordance with sections 195.900 to 195.985 and the rules of the department.

(2) A patient or caregiver shall not:

(a) Engage in the medical use of cannabis in a way that endangers the health and well-being of a person;

(b) Engage in the medical use of cannabis in plain view or in a place open to the general public:

(c) Undertake any task while under the influence of medical cannabis, when doing so would constitute negligence or professional malpractice;

(d) Possess medical cannabis or otherwise engage in the use of medical cannabis in or on the grounds of a school or in a school bus;

(e) Engage in the use of medical cannabis while:

<u>a. In a correctional facility:</u> <u>b. Subject to a sentence to incarceration; or</u> <u>c. In a vehicle, aircraft, or motorboat.</u>

(f) Operate, navigate, or be in actual physical control of any vehicle, aircraft, or motorboat while under the influence of medical cannabis; or

(g) Use medical cannabis if the person does not have a qualifying medical condition as diagnosed by the person's physician in the course of a bona fide physician-patient relationship that has been certified to the department.

(3) A person shall not establish a business to permit patients to congregate and smoke medical cannabis.

<u>11. Only licensed medical cannabis cultivation and production facilities may cultivate</u> <u>medical cannabis.</u>

12. If a patient raises an affirmative defense to prosecution under sections 195.900 to 195.985, the patient's physician shall certify the specific amounts in excess of an adequate supply that are necessary to address the patient's qualifying medical condition and why such amounts are necessary. A patient who asserts this affirmative defense shall waive confidentiality privileges related to the condition or conditions. If a patient, caregiver, or physician raises an exception to the state criminal laws, the patient, caregiver, or physician waives the confidentiality of his or her records related to the qualifying medical condition or conditions maintained by the department for the medical cannabis program. Upon request of a law enforcement agency for such records, the department shall only provide records pertaining to the individual raising the exception, and shall redact all other patient, caregiver, or physician identifying information.

13. (1) Except as provided in subdivision (2) of this subsection, the department shall establish a basic fee that shall be paid at the time of service of any subpoena upon the department, plus a fee for meals and a fee for mileage at the rate prescribed for state officers and employees, for each mile actually and necessarily traveled in going to and returning from the place named in the subpoena. If the person named in the subpoena is required to attend the place named in the subpoena for more than one day, there shall be paid, in advance, a sum to be established by the department for each day of attendance to cover the expenses of the person named in the subpoena.

(2) The subpoena fee established under subdivision (1) of the subsection shall not be applicable to any federal, state, or local governmental agency.

14. The department may collect fees from patients who apply to the medical cannabis program for a cannabis registry identification card for the purpose of offsetting the department's direct and indirect costs of administering the program. The amount of such

fees shall be set by rule of the department. The amount of the fees set under this section shall reflect the actual direct and indirect costs of the department in the administration and enforcement of this section. All fees collected by the department through the medical cannabis program shall be transferred to the state treasurer who shall credit the same to the medical cannabis program account within the medical cannabis license cash fund created in section 195.963.

195.982. 1. No individual or health care entity organized under the laws of this state shall be subject to any adverse action by the state or any agency, board, or subdivision thereof, including civil or criminal prosecution, denial of any right or privilege, the imposition of a civil or administrative penalty or sanction, or disciplinary action by any accreditation or licensing board or commission if such individual or employee or agent of the health care facility, in its normal course of business and within its applicable licenses and regulations, certifies a qualifying medical condition for an applicant to the medical cannabis program under sections 195.900 to 195.985.

2. A physician shall not be subject to criminal or civil liability or sanctions under Missouri law or discipline by the Missouri State Board of Registration for the Healing Arts, or its successor agency, for issuing a physician certification to a patient diagnosed with a qualifying medical condition in a manner consistent with this section and legal standards of professional conduct.

3. A health care provider shall not be subject to civil or criminal prosecution, denial of any right or privilege, civil or administrative penalty or sanction, or disciplinary action by any accreditation or licensing board or commission for providing health care services that involve the medical use of cannabis consistent with this section and legal standards of professional conduct.

<u>4. A testing laboratory shall not be subject to civil or criminal prosecution, denial of any</u> <u>right or privilege, civil or administrative penalty or sanction, or disciplinary action by any</u> <u>accreditation or licensing board or commission for providing laboratory testing services that</u> <u>relate to the medical use of cannabis consistent with this section and otherwise meeting legal</u> <u>standards of professional conduct.</u>

<u>5. A caregiver shall not be subject to criminal or civil liability or sanctions under</u> <u>Missouri law for purchasing, transporting, or administering cannabis for medical use by a</u> <u>qualifying patient under the provisions of sections 195.900 to 195.985.</u>

<u>6. An attorney shall not be subject to disciplinary action by the state bar association or other professional licensing body for providing legal assistance to prospective or licensed medical cannabis cultivation and productive facilities, medical cannabis centers, medical cannabis testing facilities, qualifying patients, caregivers, physicians, health care providers, or others related to activity that is no longer subject to criminal penalties under state law pursuant to this section.</u>

7. Actions and conduct by duly registered or licensed qualifying patients, caregivers, medical cannabis cultivation and production facilities, medical cannabis centers, and medical

cannabis testing facilities or their employees or agents, as permitted by this section and in compliance with division and department regulations and other standards of legal conduct, shall not be subject to criminal or civil liability or sanctions under Missouri law, except as provided for by this section.

<u>8. Nothing in this section shall provide immunity for negligence, either common law or</u> statutorily created, nor criminal immunities for operating a vehicle, aircraft, dangerous device, or navigating a boat under the influence of cannabis.

9. It is the public policy of the state of Missouri that contracts related to cannabis for medical use that are entered into by qualifying patients, caregivers, medical cannabis cultivation and production facilities, medical cannabis centers, or medical cannabis testing facilities and those who allow property to be used by those entities, shall be enforceable. It is the public policy of the state of Missouri that no contract entered into by qualifying patients, caregivers, medical cannabis cultivation and production facilities, medical cannabis centers, medical cannabis cultivation and production facilities, medical cannabis centers, medical cannabis testing facilities, or by a person who allows property to be used for activities that are exempt from state criminal penalties by this section, shall be unenforceable on the basis that activities related to medical cannabis may be prohibited by federal law.

10. Real property used in the cultivation, manufacture, testing, distribution, sale, possession and administration of cannabis for medical use shall not be subject to asset forfeiture solely because of that use.

<u>195.984.1. (1) The division of alcohol and tobacco control may summarily suspend</u> <u>a license issued under sections 195.900 to 195.985 prior to a hearing in order immediately</u> <u>to stop or restrict operations by a licensee to protect the public health, safety, or welfare.</u> <u>The division may rescind or amend a summary suspension.</u>

(2) If, based upon inspection, affidavits, or other evidence, the division determines that a licensee or the products prepared by a licensee pose an immediate or serious threat to the public health, safety, or welfare, the division may summarily suspend a license:

(a) Requiring cessation or restriction of any or all licensee operations and prohibiting the use of medical cannabis produced by such licensee; or

(b) Placing restrictions on a licensee to the extent necessary to avert a continued threat, pending final investigation results.

(3) The requirements of the summary suspension shall remain in effect until the division rescinds or amends such requirements or until such time as the division takes final action on any related pending complaint and issues a final decision.

2. The department of health and senior services may summarily suspend any registration issued under section 195.981, pending further proceedings for denial of renewal or revocation of a registration, whenever the department finds that the continued registration poses an imminent danger to the public health, safety, or welfare.

195.985. 1. Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the authority delegated in sections 195.900 to 195.985 shall become effective only if it complies with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. Sections 195.900 to 195.985 and chapter 536 are nonseverable, and if any of the powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after November 6, 2018, shall be invalid and void.

2. If any provision of sections 195.900 to 195.985 or its application to any person or circumstance is held invalid, the invalidity shall not affect other provisions or applications of sections 195.900 to 195.985 which can be given full effect without the invalid provision or application, and to this end the provisions of sections 195.900 to 195.985 are severable.

263.250. 1. The plant "marijuana", botanically known as cannabis sativa, is hereby declared to be a noxious weed and all owners and occupiers of land shall destroy all such plants growing upon their land. Any person who knowingly allows such plants to grow on his land or refuses to destroy such plants after being notified to do so shall allow any sheriff or such other persons as designated by the county commission to enter upon any land in this state and destroy such plants.

2. Entry to such lands shall not be made, by any sheriff or other designated person to destroy such plants, until fifteen days' notice by certified mail shall be given the owner or occupant to destroy such plants or a search warrant shall be issued on probable cause shown. In all such instances, the county commission shall bear the cost of destruction and notification.

<u>3. The provisions of this section shall not apply to the authorized cultivation and production of cannabis plants for purposes of providing medical cannabis under sections 195.900 to 195.985.</u>

311.610. 1. For the purpose of carrying out the provisions of this chapter [and], the liquor control law, and sections 195.900 to 195.985 the governor, by and with the advice and consent of the senate, shall appoint some suitable person of good moral character over the age of thirty years, who has been a qualified elector in the state of Missouri for at least five years next before the date of his appointment, as supervisor of liquor control. The supervisor of liquor control shall serve at the pleasure and under the supervision and direction of the governor.

2. The supervisor of liquor control shall devote his entire time to the duties of his office and, with the approval of the governor, appoint and employ all agents, assistants, deputies, inspectors and employees necessary for the proper enforcement and administration of the provisions of the liquor control law whose salaries shall be fixed by the governor, but no salary shall be greater than that paid to employees in other state departments for similar work, except that no salary of an agent directly engaged in the enforcement of the liquor control law shall be less than eight thousand dollars a year. In addition to his salary, the supervisor of liquor control and each of the agents, assistants, deputies, inspectors and employees shall be reimbursed for all expenses necessarily incurred in the discharge of their duties. No expenses shall be allowed for sustenance to any supervisor, agent, assistant, deputy, inspector or employee while in the city or town of his residence.

3. Before entering upon the discharge of his duties, the supervisor of liquor control shall take and subscribe to an oath to support the Constitution of the United States and of this state, and faithfully demean himself in office, and shall also execute bond to the state of Missouri in the penal sum of ten thousand dollars, conditioned for the faithful performance of the duties of his office, which bond shall be approved by the governor and deposited with the secretary of state and kept in his office; the premiums of the bond shall be paid by the state out of funds appropriated for that purpose.

4. The supervisor of liquor control shall issue licenses for the manufacture and sale of ardent spirits, malt, vinous, fermented and every class of liquors used as beverages. The supervisor of liquor control shall keep a record of all intoxicating liquor manufactured, brewed or sold in this state by every brewery, distiller, manufacturer, distributor or wholesaler, and make a complete report of the same to the governor at the end of each calendar year, or as soon thereafter as possible.

311.620. 1. No person shall be appointed as agent, assistant, deputy or inspector under the provisions of the liquor control law <u>or the Missouri Patient Care Act</u> who shall have been convicted of or against whom any indictment may be pending for any offense; nor shall any person be appointed as such agent, assistant, deputy or inspector who is not of good character or who is not a citizen of the United States, and who is not or has not been a resident taxpaying citizen of the state for a period of three years previous to his appointment; or who is not able to read and write the English language or who does not possess ordinary physical strength and who is not able to pass such physical and mental examination as the majority of a board, consisting of the governor, lieutenant governor, attorney general, and the supervisor of liquor control may prescribe.

2. No agent, assistant, deputy or inspector so appointed shall hold any other commission or office, elective or appointive or accept any other employment compensation while he is an employee of the department of liquor control, except with the written permission of the supervisor of liquor control. No agent, assistant, deputy or inspector of the department of liquor control shall accept any reward or gift other than his regular salary and expenses as provided in this chapter. No agent, assistant, deputy or inspector of the department of liquor control shall perform any police duty connected with the conduct of any election, nor at any time or in any manner electioneer for or against any party ticket, or any candidate for nomination or office on any party ticket, nor for or against any proposition of any kind or nature to be voted upon at any election.

3. The agents, assistants, deputies and inspectors appointed under the provisions of section 311.610 shall before entering upon the discharge of their duties, each take and subscribe an oath to support the Constitution and laws of the United States and the State of Missouri and to faithfully demean themselves in office in the form prescribed by Section 11, Article VII of the Constitution of this State, and they shall each give bond to be approved by the supervisor of liquor control for faithful performance of the duties of their respective offices and to safely keep

and account for all moneys and property received by them. This bond shall be in the sum of five thousand dollars, and the cost of furnishing all such bonds shall be paid by the state.

4. Any agent, assistant, deputy or inspector of the department of liquor control who shall violate the provisions of this chapter shall be immediately discharged.

311.630. 1. The supervisor of alcohol and tobacco control and employees to be selected and designated as peace officers by the supervisor of alcohol and tobacco control are hereby declared to be peace officers of the state of Missouri, with full power and authority to make arrests and searches and seizures only for violations of the provisions of this chapter relating to intoxicating liquors, [and] sections 407.924 to 407.934 relating to tobacco products, and sections 195.900 to 195.985 and to serve any process connected with the enforcement of such laws. The peace officers so designated shall have been previously appointed and qualified under the provisions of section 311.620 and shall be required to hold a valid peace officer license pursuant to chapter 590.

2. The supervisor of alcohol and tobacco control shall furnish such peace officers with credentials showing their authority and a special badge, which they shall carry on their person at all times while on duty. The names of the peace officers so designated shall be made a matter of public record in the office of the supervisor of alcohol and tobacco control.

3. All fees for the arrest and transportation of persons arrested and for the service of writs and process shall be the same as provided by law in criminal proceedings and shall be taxed as costs.

311.660. <u>1.</u> The supervisor of liquor control shall have the authority to suspend or revoke for cause all such licenses; and to make the following regulations, without limiting the generality of provisions empowering the supervisor of liquor control as in this chapter set forth as to the following matters, acts and things:

(1) Fix and determine the nature, form and capacity of all packages used for containing intoxicating liquor of any kind, to be kept or sold under this law;

(2) Prescribe an official seal and label and determine the manner in which such seal or label shall be attached to every package of intoxicating liquor so sold under this law; this includes prescribing different official seals or different labels for the different classes, varieties or brands of intoxicating liquor;

(3) Prescribe all forms, applications and licenses and such other forms as are necessary to carry out the provisions of this chapter, except that when a licensee substantially complies with all requirements for the renewal of a license by the date on which the application for renewal is due, such licensee shall be permitted at least an additional ten days from the date notice is sent that the application is deficient, in which to complete the application;

(4) Prescribe the terms and conditions of the licenses issued and granted under this law;

(5) Prescribe the nature of the proof to be furnished and conditions to be observed in the issuance of duplicate licenses, in lieu of those lost or destroyed;

(6) Establish rules and regulations for the conduct of the business carried on by each specific licensee under the license, and such rules and regulations if not obeyed by every licensee shall be grounds for the revocation or suspension of the license;

(7) The right to examine books, records and papers of each licensee and to hear and determine complaints against any licensee;

(8) To issue subpoenas and all necessary processes and require the production of papers, to administer oaths and to take testimony;

(9) Prescribe all forms of labels to be affixed to all packages containing intoxicating liquor of any kind; and

(10) To make such other rules and regulations as are necessary and feasible for carrying out the provisions of this chapter, as are not inconsistent with this law.

2. The supervisor of liquor control shall have the authority to regulate and control the licensing of the cultivation, manufacture, distribution, testing, possession, and sale of medical cannabis in this state; to grant or refuse state licenses for the cultivation, manufacture, distribution, testing, possession, and sale of medical cannabis as provided by law; suspend, fine, restrict, or revoke such licenses upon a violation of sections 195.900 to 195.985, or a rule promulgated under sections 195.900 to 195.985; to impose any penalty authorized by sections 195.900 to 195.985, or any rule promulgated under sections 195.900 to 195.985; and to establish, revise, and amend rules and regulations as necessary to carry into effect the provisions of sections 195.900 to 195.985 as set forth in section 195.906.